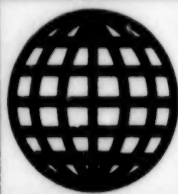


JPRS-NEA-93-088  
13 August 1993



**FOREIGN  
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# ***JPRS Report***

## **Near East & South Asia**

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# Near East & South Asia

JPRS-NEA-93-088

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13 August 1993

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## REGIONAL AFFAIRS

### New Association of Maghreb Merchants

93AF0719A Algiers LIBERTE in French 21 Jun 93 p 7

[Interview with Assoubai M'hamed, ACMF (Association of Magreb Merchants in France) president, by Mekacher Karim; place and date not given: "Creation of the Association of Maghreb Merchants in France; 'Administrations in the Maghreb Are Hibernating'; first four paragraphs are LIBERTE introduction]

[Text] Over 1,800 merchants met at a board meeting in Nord-Pas-de-Calais to create the ACMF [Association of Maghreb Merchants in France].

Immigrants or sons of immigrants from the three Maghreb countries in France, met on 15 May 1993 at Villeneuve d'Ascq (Nord-Pas-de-Calais) to create the association that will unravel the problems they encounter in dealing with the administration, both in their country of origin and in France.

Does that mean, then, that Maghreb union exists in France more than in the Maghreb? Why this association? These are the questions we asked from the president that was appointed at the first board meeting, Mr. Assoubai M'hamed.

Starting with nothing nearly 10 years ago, working in a grocery store as a clerk at a [monthly] salary of 3,000

francs [Fr], he now manages three supermarkets with sales totaling about Fr20 million.

[Karim] Do you believe that the Maghreb is more real in France than in the Maghreb?

[M'hamed] We have always known that in order to face our respective problems we had to meet around a table and settle them together. There is no difference between our problems in France, no matter whether we are Moroccan, Algerian, or Tunisian. Besides, one of the ACMF vice presidents is an Algerian from Kabylia. It is a fact that, morally, sometimes even commercially, we are all united.

[Karim] Nearly 10 years ago you were a clerk earning the equivalent of the RMI [minimum wage], about Fr3,000; now you are one of the richest businessmen. Apparently, going it alone did not upset you?

[M'hamed] Contrary to my fellow clerks, I always took risks and gambled everything I had earned. When I started, I launched a business in which nobody believed; I gambled everything and it worked. Later, I did not hesitate to reinvest all my earnings in each business. As for going it alone, I really did. The French administration looks at us as if we came from another planet, and we have no relations with our consulates. You know, Algerians and Moroccans have practically the same problems. Our administrations are so unwieldy it makes you sick. As far as the French administration is concerned, we are all Arabs. We are paying millions in



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value-added tax [VAT] and income tax, but we are always unwelcome. On the other hand, our money contributes to the development of the city. As for our trade relations with our countries of origin, they are practically nonexistent.

The risk is that all the know-how we have acquired may be lost. It was all these problems that we discussed at our first meeting.

[Karim] Did you draw up a plan of action, and what means do you have to solve everybody's problems?

[M'hamed] We have divided our plan of action into two parts. First, the obstacles we encounter where we are working, i.e., in France.

The ACMF will act as a mediator, through two lawyers that we have hired full time and whose services are available to our members free of charge; add to everyone [sic] legal protection insurance for any commercial advice. These two lawyers will handle files presented in the merchants' defense to the Treasury and the URSSAF [Union for the Collection of Contributions to Social Security and Child Benefits], or in case of reconciliation tax audits when a business is sold, and above all they will defend the dignity of Maghreb merchants. For we are aware of all the abusive audits we are subjected to, and the excessive zeal of the police who do not hesitate to make raids in small businesses to check prices, although it is not their job.

The ACMF will also prepare financing projects for banks and other credit institutions. By June, we shall have an internal gazette, which in fact, will be a forum where all Maghreb businessmen can speak with each other. Advertisements will be free; this will enable members to get in touch with each other.

As for the second part of our plan, it has to do with our respective countries in the Maghreb. We are aware of the obstacles that exist in Algeria, and of this famous invisible and almost insuperable barrier that almost prohibits us from bringing in materials or our commercial know-how. I do not understand why our respective countries remain shut in these sorts of "cocoons" while Europe is building itself.

Through delegations and meetings, we would like to organize roundtables with Maghreb businessmen in the near future. In a first stage, this will enable us to get acquainted, and later on to exchange our know-how. Our politicians may speak as much as they want, only union will enable us to succeed. I was not the first one to say: "United we stand, divided we fall."

Then, the ACMF might be a source of information, without engaging in political debates. We know the field, but no one ever asked for our advice.

It makes you wonder whether our embassies have economic departments. It will not be the ACMF's job to rap them over the knuckles, but rather to speed up things. You know, in our countries, it is a tradition to postpone

everything that ought to be done right now. We must do away with that tradition. Time is money, and money turns into jobs, which make a country healthy.

[Karim] Don't you believe that the board of directors, which is composed of the 18 richest businessmen among you, represents a poor interpretation of the situation?

[M'hamed] You are quite right to ask me this question, which was also on the agenda. But look at it the other way: only the strong can protect the weak. Besides the most important businessmen have more knowhow and are more familiar with the obstacles we may encounter. And because of their sales volumes, they are more respected, and therefore people are more willing to listen to them. It is a good thing for the association and for small merchants. But I hope that they will not all remain small forever.

[Karim] What attitude do you intend to adopt with your respective embassies?

[M'hamed] The ACMF is a team that will take on all files on an equal basis; this is why we shall make no difference between the Algerian, Moroccan, or Tunisian embassies or consulates. We might well send an Algerian delegation to the Moroccan consulate to discuss the problem of a Moroccan merchant.

We would like these administrations to look at us as partners, to exchange information that we would transmit to our members.

Many of us want to build, to start businesses, to invest in our countries of origin, but we have no information from the consulates. Everything is vague.

We have the financial means, the know-how, but when we face hibernating Maghreb administrations, we get discouraged and give up.

Take the example of Algerian merchants and businessmen, many of whom would like to invest: they are not afraid of political instability, but rather of the lack of cooperation with elected officials on location. That goes for building permits as well as for raw material exports, and for relations between banks, which are extremely slow. This last point, in particular, might prove fatal to a business and force it to file for bankruptcy. But we cannot remain in France and live like egoists: our roots and our countries take precedence over everything.

[Karim] You were alone in France; your family remained in your country and only your mother is left. Do you get the impression that, through this association, you belong to a new family?

[M'hamed] A family is a place where people discuss, where problems are negotiated and sometimes solved. I went it alone for years, and at times I realize that many employees rely on me, especially in a country that is experiencing an economic crisis. I never had any help from the administrations of my country of origin. Certainly, then, the ACMF is somehow a new family, a

support, a place where to exchange confidences. Eighteen hundred merchants with heavy influence with French administrative departments—because millions are paid to them every year—that is an organization that will prove efficient in months to come. The ACMF will have full-time lawyers who can be reached at any hour, legal protection, and a team of professionals to set up any projects. All this will be available free of charge to our members.

## ALGERIA

### 'Money' Driving Dissent Among Armed Groups

93AF0714C Algiers EL WATAN in French  
20 Jun 93 p 2

[Article by Mohamed Louraghi: "Infighting Among Terrorist Leaders Over Big Money"; first paragraph is EL WATAN introduction]

[Text] There are signs of growing dissension among armed groups and their representatives abroad. At the bottom of it all lies a bank account and a dispute over who controls it.

Nothing is going well for the armed groups who are now calling themselves Haraket Daoula el Islamiya (HDI) instead of MIA [Armed Islamic Movement] as Chebouti seemed to want. Following the death of the two gurus El Eulmi and the arrest of Yekhllef Cherati, a newcomer was chosen by the fatawi: Ahmed Houmine, whose real name is Rezki Houmil, the former imam of Bourmerdes who ran the executive bureau of the FIS [Islamic Salvation Front].

Ahmed Houmine, age 35, is originally from the village of Sidi Daoud, not far from Boubrik, in the province where his talents as an orator would turn him into an emblematic figure. The first fatwa to be issued by Houmine was a death sentence against the leader of Hamas [Islamic Resistance Front], Mahfoud Nahnah, accused of backing the government by agreeing to enter into a dialogue.

Specialists have interpreted the fatwa to be an act of allegiance to Abderrezak Redjam, a figure of rapidly declining political-military influence in the criminal organization and who had signed Communiqué No. 41 warning political parties not to take part in a dialogue.

There are a good number of indications that the armed groups are faced with serious organic problems. The systematic neutralization of a network following a terrorist operation has had a crippling effect on recruitment. A potential recruit now thinks twice about joining a group.

The security forces and newly arrived reinforcements have effectively curtailed the activities of the support and logistics cells, even though they have not succeeded in eliminating the consciousness raising and intelligence cells. In other words, they are responsible for agitprop

which, as in every fascist organization, is viewed by the leaders as second only to military action in importance. This explains the continued circulation of rumors and the "mythification" of the mujahidin.

The Mitidja group was practically destroyed by the death of Zikioui, who was Layada's lieutenant, and by the death of Ait Meziane, Layada's principal agent. Maqaria has been swept clean and the few elements that are still active have been forced to flee to the interior of the country where tensions are lower.

Said Makhloufi is in hiding and Chebouti is reported to be ravaged by gangrene. His two lieutenants, Baa Azzedine and Hattab Abdelkader, are keeping a suspiciously low profile, although they are reputed to be dangerous.

Morale is at an ebb both at home and abroad. The FIS now has at least four spokesmen [overseas]: Mohamed Said, who claims to have the legitimacy of the Batna congress; Rabah Kebir, who claims to have the benediction of the FIS' imprisoned leaders; Anwar Haddam, who claims the legitimacy of the ballot box, calling himself the elected official of Tlemcen; and Abou Tarek who, in Stockholm, won over the Abassi sons and offered to find a safe haven for them after their disenchanting experience in Germany.

Of the four, Anwar Haddam has been working the hardest at the international level to isolate Algeria. Ironically, Anwar Haddam, (who claimed responsibility for the assassination of Professor Boucebc, is a relative newcomer to the FIS, having joined in June 1991.

He is a nephew to both Tedjini, a member of the Higher State Council (HCE), and to Habib, founder of the Djazara. The country he is trying to isolate at the diplomatic level is the same country that awarded him a scholarship to obtain a PhD in nuclear physics in the United States. He returned to Algeria in 1986 to teach at the university in Bab Ezzouar. His Islamist activities began while he was editor of a student publication called "Tadhkir," which has nothing to do with Sufism despite its title.

When the FIS was formed, Anwar Haddam was not only indifferent to it, he created the Union of Algeria Students (UEA) to counter the activity of the FIS-affiliated League of Islamist Students (LEI). To the FIS, he preferred El Djazara, a veritable freemasonry among the Islamist groups, and would become the brains of the organization even though all eyes were fixed on Abdelkader Hachani or Mohamed Said. It was Anwar Haddam, along with Thabet Aouel Mohamed and Brahim Mostefa, who controlled El Djazara and would decide to infiltrate the FIS in June 1991 as soon as it appeared to be a gamble worth taking.

The association that he directed, El Bina El Hadari, civilization building, fell into oblivion when he turned to public political action, leaving the secretive El Djazara.

After elections were suspended, he went into hiding abroad where he and a certain Hilali would proclaim themselves the legitimate representatives of the movement. In addition to the gang of four now fighting over the leadership of the dissolved FIS, there are two other names: Kherbane, thought to be the boss of the



"Afghans," and Kraouche, president of the Algerian Brotherhood in France (FAF).

Followers of the two were reported to have had a violent confrontation inside a Parisian mosque. The FAF activists did not understand why Kherbane demanded that the accounts of Kraouche's association be verified.

Finances are the most likely explanation for the battle over claims to represent the FIS abroad. While Ous-sama's filiation gave him a legitimate claim to his position as treasurer, Kebir had no reason to be the second signer to the back account, which is regular funded by Saudi donors, dues paid by suburban residents, and proceeds from various trafficking operations.

### **Economic Ties To Italy; Future Optimistic**

93AF0724D Algiers EL MOUDJAHID in French  
18-19 Jun 93 p III

[Article by Amar Aouimer: "Algeria and Italy: A Model Relationship"; first paragraph is EL MOUDJAHID introduction]

[Text] With the resumption of plans for a Fiat factory to be built in Tiaret by the Italians for completion in 1995, Algeria and Italy could well see their economic, financial, and trade relations expand and intensify considerably. The Algerian minister delegate for small and mid-sized businesses and industries recently visited Genoa. The Genoa Savings Bank (Carige), it will be recalled, has granted a line of credit worth 10 billion lire (about 150 million dinars) to be managed by the National Bank of Algeria.

Mr. Sandro Costa, director of Italy's Foreign Trade Institute (a governmental organization), points out that Italy is the largest importer of Algerian products and the second-largest exporter to Algeria. "We have gained two percentage points [in exports to Algeria]. The figures are very positive. In 1991, we had 13.7 percent; that rose to 15.7 percent in 1992—an increase of 2 points."

This year, for the first time ever, a line of credit was made available specifically for the sale of Italian goods and products on exhibit at the International Fair in Algiers.

Italy has a strong presence at the Fair, with 84 companies representing a broad range of industries and products, among them the automobile industry, agricultural machinery, textile equipment, crushing machines, and pasta products.

"We continue to have faith in small and mid-sized businesses and industries, provided that the private sector is able to fill its role as a professional, competent economic force. We are anxious to see the investment

code enacted because it is a vital tool for the coordination of our activities on the Algerian market. The investment code will give us a clear and solid foundation on which to work, eliminating any surprises," said Mr. Sandro Costa.

Inside the Italian pavilion at the International Fair, the Italian Foreign Trade Association operates a barter stand, the purpose of which is to facilitate bilateral trade through an alternative means of exchange. It is important that Algeria's exports be promoted. Another purpose of the barter stand is to study opportunities for participation in certain operations, as hydrocarbons account for 97 percent of Algerian exports.

According to Mr. Costa, "cast iron and cork are highly sought after on the Algerian market, and the same can be said of mineral salts. Algeria should be an exporter rather than an importer. Fishing resources should also be tapped in a reasonable fashion."

### **Special Prices on Automobiles**

The director of the Foreign Trade Institute, Fiat and DVP [expansion not given] arrange discounted prices on automobiles sold to veterans and to importers licensed to make purchases in foreign currency. The cars will later be sold for Algerian dinars.

A visit to the site of the future Fiat factory in Tiaret will be arranged for journalists. Cosider is in the process of erecting the building and Fiat is handling the engineering operations for the project's finalization. The Italian automobile manufacturer has issued calls for bids on sub-contracts to install electricity, plumbing, etc.

"Italy's ambassador to Algeria, Mr. Patrizio Schmidlin, has already visited Tiaret to form an idea of the work that has been done so far. He plans to make regular visits to monitor progress," Dr. Costa noted.

The project in Tiaret is an important springboard to greater cooperation between Algeria and Italy.

The Tiaret factory will manufacture a technologically innovative model, the Fatia, a cross between the Uno and the Tipo models, offering a choice of motors (110 cm<sup>3</sup> to 1,500 cm<sup>3</sup>) with top speeds of between 150 and 200 km/hour.

As part of the International Fair in Algiers, eminent representatives of the Italian banking industry and experts from Italy's Trade Ministry offer information concerning opportunities for cooperation and collaboration between Algerian and Italian businesses, and these include Italy's major corporations as well as its small and mid-sized businesses and industries.

The trans-Mediterranean gas pipeline will also ensure expanding trade links between the two countries.

Italy is in the process of becoming the lead country in economic, financial, industrial, and trade partnerships with Algeria. The Banca di Roma and the Genoa Savings

Bank intend to set up operations in Algeria, as evidenced by the presence of Italian businessmen and bankers at the 29th International Fair in Algiers.

[Box, p III]

Algeria's imports come primarily from France (23 percent), followed by Italy (16 percent), the United States (12 percent), Germany (9 percent), Spain (8 percent), Japan (4 percent), and Belgium (3 percent), to name only the top seven suppliers of products imported by Algeria. Most of Algeria's exports are purchased by Italy (21 percent), followed by France (18 percent), the United States (14 percent), Belgium (9 percent), Spain (8 percent), Germany (4 percent), and Japan (1 percent).

### Mascara Struggles To Cope With Drought

93AF0724B Algiers ALGER REPUBLICAIN in French  
22 Jun 93 p 8

[APS report]

[Text] The wilayah of Mascara, which has been stricken by drought like the other western regions of the country, was declared a disaster zone by the Agricultural Disaster Fund.

Several meetings to discuss the situation were held by the governorate's committee in charge of monitoring farming and livestock conditions and water resources, and numerous measures were recommended. The town commissions, assisted by specialists, are already at work assessing the situation and compiling a census of farms.

However, indemnities will be available only to farmers who have policies with the Regional Agricultural Mutual Insurance Fund (CMRA).

To provide for next season's crops, the CCLS [expansion not given] will purchase seeds suitable to the climatic conditions of Mascara from the regions of Bordj-Bou-Areridj and Mila.

In response to the shortage of livestock fodder and to speculation of all kinds, the governorate's monitoring committee has adopted measures to build up supplies of straw and forage at the livestock cooperatives, to preserve an equitable distribution of fodder to raisers of livestock, and to maintain prices at a reasonable level.

To preserve water resources, the committee has launched a campaign to combat attempts to pump water illegally, and will seize pumping equipment if necessary, particular in the Ghriss plain where groundwater reserves are under strain from the area's 10,000 wells.

The volume of water in reserve at the three dams in the wilayah has dropped to the critically low level of 17 million cubic meters, which is insufficient to supply both the farmers and the drinking water systems of the wilayat of Mascara and Oran. The possibility of shifting water quotas from the Cheliff area to the wilayah of Oran is

under consideration as a way of supplementing the small volume of surface water available in Mascara.

In other matters, the El Habra perimeter, well known for its citrus production, may not be able to produce a full crop next season for lack of sufficient quantities of water for irrigation.

To preserve livestock levels, the committee plans to expand veterinary coverage and to step up disease prevention campaigns.

### Impact of Drought on Grain Harvest

93AF0724C Algiers EL MOUDJAHID in French  
21 Jun 93 p 7

[Article by Rachid Semmad: "The Killer Drought"]

[Text] One and a half million hectares [ha] of land, primarily in the west and the steppe regions of Algeria, have been affected this year by what can only be termed a "killer" drought. This season's grain harvest will fall far short of the levels achieved in the past two years: the record-setting 1991 harvest of 36 million quintals and 1992's 32 million quintals.

One thing is certain: Results like those are achieved thanks to encouraging measures such as producer-price incentives and better oversight of the agricultural sector. To give producers a sense of security, it takes more than a settlement to the land dispute; it takes economic measures that reach a large portion of the farming environment.

But, let there be no mistake, a balance—long lacking in Algeria—between the interests of the nation as a whole and those of the producers is crucial. Consumers must be able to purchase farm products at affordable prices and farmers must be assured of a satisfactory income (in other words a better living standard).

Agriculture employs 25 percent of Algeria's working population and must continue to receive permanent measures of support from the government if it is to become as productive as it once was. Much of our food is imported, in particular processed food and farm inputs at a total cost of more than 2.5 billion dollars annually.

Algeria periodically experiences droughts that pose a serious handicap to the efforts of both the government, which has enacted various measures to assist the sector, and farmers, who have responded to those measures with renewed interest in stepping up production.

Drought has affected 17 wilayat and more than 1.5 million ha this year. The magnitude of the drought made it necessary to adopt a special approach consisting of various assistance measures for affected areas, underscoring the fragility of agriculture and the degree to which yields and harvests are dependent upon climatic conditions.



How has the drought affected the current grain crop? Officials of the Farm Production Office at the Ministry of Agriculture responded very cautiously to that question, declining to provide production forecasts until harvesting-threshing activities are well under way in all regions.

Given the shortage of rainfall and irrigation needs estimated at 364 HM3 [hectometer] for a land area of 54,000 ha, they told us, 100 HM3 of water will be allocated to the western irrigation perimeters (Habra-Sig, Maghnia, Mina, and the mid and upper Chelif).

As a result, the irrigation campaign will be limited to saving existing crops with supplemental irrigation (3,000 ha) and to providing a minimum of water for the survival of arboriculture. [sentence as published] This

year, 3,725,000 ha were sown with grains, surpassing the average for the past 20 years by 525,000 ha, despite drought-induced cutbacks. Grain cultivation by region and by type of grain are given in the tables below:

**Grain Cultivation by Region  
(all grains combined)**

Region	Hectares Sown	% of Total
Coastal	288,000	7
Subcoastal	1,174,000	32
High plateaus and inland plains	1,095,000	29
Steppe	1,145,000	31
Sahara	23,000	1

**Types of Grain Cultivated**

Grain Type	Number of Hectares Sown		% Change
	1992-93	20-year average	
Durum wheat	1,524,000	1,200,000	+27
Common wheat	565,000	550,000	+3
Barley	1,510,000	1,500,000	+16
Oats	126,000	150,000	-16
Total	3,725,000	3,200,000	+16

The figures reveal a marked trend toward durum wheat and barley. The lifting of controls on the sale of barley has increased farmer interest in the crop.

#### Cultivation Increasing in Saharan Region

With regard to the application of farming techniques, an improvement has been observed in soil preparation, fertilization, and weed control, particularly in the east where 240,000 ha are fertilized with nitrogen and where 91,000 of 140,000 ha are weed free.

Grain cultivation irrigated by rotating sprayers continues to expand in the Saharan region, increasing from 5,000 to 6,500 ha this year. Harvesting-threshing is nearing completion in the southern provinces where an average yield of 35 to 40 quintals per ha is expected.

Of the 1.5 million ha—40 percent of the nation's grain-growing fields—that have been devastated by drought, 730,000 were sown with barley.

This leaves 2,225,000 ha of grains to be harvested—65 percent of the total area under cultivation in Algeria.

In eastern Algerian, this year's production levels are comparable to those of the past two years.

In an effort to limit the importation of selected grain seeds, the authorities have taken steps to recover a maximum of seeds from eastern and southern Algeria and make them available to the western region where there is an increasing need for them.

As an incentive, the government has raised the price at which growers may sell barley intended for sowing, from 470 dinars to 600 a quintal—an increase of 130 dinars.

Combined operations and selection of vegetation confirm that the expected harvest in areas unaffected by the drought will easily cover the needs of the drought-stricken areas for the next season's sowing.

For the current growing season already well under way in the southern provinces and the early growing regions like Ain-Defla and Chlef, more than 9,000 combine harvesters are ready to go to work and 400 collection sites have been chosen, conditions are dry, and spare parts are available; this is in addition to 50 storage areas to supplement existing facilities, which are inadequate to accommodate semitrailer loads of grain. Despite the drought's devastation in certain areas, efforts to increase the quantity of grain for sowing have resumed, yielding positive results which should offset losses in the drought-stricken areas. In the days ahead, we will have additional reports.

#### Plans for Joint Venture With De'Longhi

93AF0724A Algiers LIBERTE in French 17 Jun 93 p 3

[Article by Samir Knayaz: "De'Longhi and ENAPEM To Form a Company"; first paragraph is LIBERTE introduction]

[Text] The 29th International Fair in Algiers has enabled Algerian companies to sign contracts with foreign partners. Without a doubt, one of the most important among them is the letter of intent initialed by De'Longhi and ENAPEM [expansion not given].

With Italy the focus of yesterday's activities at the International Fair, Algerian business operators were able to take stock of the latest innovations and technologies developed by their Italian counterparts in various fields.

The day was also a prime opportunity to finalize contracts and establish joint ventures with Italian firms. At a press conference Sunday, Mr. Sandro Costa, director of the Italy's Foreign Trade Institute in Algiers, had declared that, "Italian business operators are determined to work more closely with our Algerian friends in spite of difficult economic conditions in both countries." A few steps were taken in that direction yesterday. De'Longhi, the private Italian manufacturer of household appliances and one of Italy's leading firms in that field, signed a letter of intent with the Algerian company ENAPEM to form a joint company. The signing was also attended by Mr. Mokraoui, minister delegate for trade, and Mr. Hamiani, minister delegate for small and medium-sized businesses and industries.

The letter states that the two companies "have agreed to give concrete shape to cooperation between them in the coming weeks by signing a memorandum of understanding for the formation of a joint company that will produce and market a range of household appliances and heating and air conditioning equipment both for the Algerian market and for export."

The project, which will cost 17 billion dollars according to Mr. Sandro Costa, will be housed in a unit to be built at ENAPEM's existing facilities in Oran, which will speed up the start of operations.

Mr. De'Longhi, president of the company that bears his name, described the project as an example of this company's desire to expand its investments in Algeria. "Our products have been on the Algerian market for some 20 years. Nonetheless, we would like to go farther and set up operations here in Algeria. What we have signed today is a first step and we intend to take others. However, progress cannot be made in the dark. We are waiting for Algeria's new investment laws and convertibility of the dinar to go into effect before we can ascertain the opportunities that exist. It is impossible to launch anything without a clear and precise legal framework."

ENAPEM's president, Mr. Mecherara, sees the initiative as positive for both his company and the country. "De'Longhi and ENAPEM have known each other for several years and have an excellent relationship," he noted.

The joint company, said Mr. Mecherara, will probably become operational before the end of this year. Its production will initially focus on heating equipment, in response the very high level of demand locally. "We will

then be able to expand into other products and produce for exportation, primarily to North African countries."

Mr. Mecherara also noted that in order to launch successful joint ventures such as this and attract the largest number of potential partners, "the legal framework must be in place. Investors need reassurance and that is what we hope the investment code will provide."

## EGYPT

### Al-Ghazali's Testimony Debated

#### Al-Ghazali Not a 'Moderate'

93LD0021A Cairo AL-AHALI in Arabic 30 Jun 93 p 5

[Unattributed Article: "To Those Who Call for Politicizing Islam: Here is Your 'Moderate Shaykh'"]

[Text] A while back, we were on the case of Shaykh Muhammad al-Ghazali and accused him of lying. He falsely claimed that Michel 'Aflaq married the daughter of Mrs. Golda Meir. We said that he went beyond what is right and true by claiming that Arab nationalism is a Christian imperialist Zionist product. Some people were upset because we have exposed some of the mistakes of the Shaykh whom they consider one of their most prominent figures. Some people blamed us and claimed that the Shaykh is one of the symbols of moderation in the movement that claimed to be Muslim. He added that attacking him is equal to encouragement of the terrorist extremist trend.

We responded by saying that terrorism starts by censoring the intellect and that some of the shaykhs that claim to be pious and wear the garments of moderation are in fact, if we study their history and opinions, the generators of the extremist intellect that gives birth to terrorist trends.

We repeated that certain words or fatwahs could be more dangerous than the bullet and more lethal than any bomb. We also proved that the claims of those who pretend to be Muslim could affect the younger generation that does not know much about religion and lead it to be trained in the use of machine guns and the making of bombs to kill the innocent.

In spite of all of this, some people still had their hopes centered on Shaykh al-Ghazali and attempted to present him in the media, radio, and television as one of the symbols of moderation. All these attempts were to no avail, because the Shaykh exposed his true identity from underneath his pretense and false claims. It could be that he imagined that the tide is going with terrorism, so he as usual tried to get close to it to take advantage of it if need be.

In his testimony before the Supreme State Security Court in the case of the assassination of Dr. Faraj Fudah, he revealed his true colors and the truth of his "moderate" opinions.

The Shaykh clearly states that whoever calls for applying a manmade law is not a true believer and deserts the majority and is to be considered to have renounced Islam.

Gentlemen, the Shaykh accuses you all—rulers, Parliament, parties, and people, except for those who follow him—of being atheists and renouncing Islam. So what is the difference between him and the most extreme terrorists?

On top of all of that he is of the opinion that those that he claims are atheists should be punished and that anybody is entitled to punish such people. The following questions and answers are quoted from his testimony as a defense witness.

[Question] Who has the right to punish those who renounce Islam and should be killed?

[Al-Ghazali] Supposedly the judicial system is responsible. Applying the rules of Islam is within the jurisdiction of the judicial system and the public should not do that, lest there be chaos.

[Question] Should the punishment be performed once the sin is committed?

[Al-Ghazali] The rules of God are not to be cancelled by anybody and the punishment should be performed.

[Question] What if one of the public were to perform such punishment?

[Al-Ghazali] That person would be performing what the concerned authorities should do.

[Question] What is the punishment for doing that?

[Al-Ghazali] I do not know any punishment in Islam for that.

These are the answers that the Shaykh gave to please the terrorist murders. In the beginning he said that doing so would result in chaos, but then he said that there is no punishment for doing such a thing.

Maybe we are entitled to ask a few questions of the eminent Shaykh:

1. Who has the right to judge that a person has renounced Islam? Would it not have been better if the "moderate" Shaykh had answered this question before he went on to justify murder and terrorism.

2. What if a man has misjudged another man and killed him? The Shaykh himself has made many mistakes. Was he not mistaken about what he said about Michel 'Aflaq? Have not he and many of those who claim to be Muslims said something and then retracted it. Haven't they given a judgment and discovered that they were wrong. Haven't they accused each other of atheism? Haven't some of them accused the Muslim Brotherhood of being a Masonic Lodge and then later on tried to appease them?

3. What if one of the youngsters from an extremist group were to accuse the Shaykh of renouncing Islam because he praises the current regime and is paid for what he says on the government-owned television station and in other media and his money comes from a bank owned by atheists; or maybe because once he favored joining Parliament that gives humans [rather than God] the right to legislate. Would the Shaykh think that such a youngster would have the right to kill him without being punished? Or are such actions only allowed against Faraj Fudah and the like?

4. What is his opinion on the hadith of the Prophet, which says "a believer still has an excuse in his religion unless he kills wrongfully." (Reported by Bukhari)

5. What is his opinion of the following: "al-Miqdar Bin al-'Aswad said: "I said: Holy Prophet, if I meet a non-believer and we fight and with his sword he cuts off one of my hands, then he hides behind a tree and announces that he has converted to Islam, do I kill him after he has made this statement? The Holy Prophet said: Don't kill him, for if you kill him you will be as bad as he was before he uttered his statement." (reported by Bukhari, Muslim, and Abu Dawud)

You see, your eminence. There is a clear doubt that the man in question said what he said either out of fear or out of hypocrisy. But nobody had the right to doubt him. It is quite possible that the man in question was still an atheist when he said what he said, but the Prophet repeated twice that he should not be killed. I asked the Prophet "He just cut my hand off." The Prophet said, "Do not Kill him," and then said, "If you kill him you will be as bad as he was before he uttered his statement."

The amazing thing is that the Shaykh said it was all right to kill people. He said that cold-blooded murderers are not to be punished, claiming that this is the true Islam, as if he is the only one who knows what is right in our religion.

It is more amazing that his answers appeared to have been rehearsed. He was not afraid of making mistakes; it is natural for anybody to make mistakes. He did not even say at the end of his testimony, "God knows better." This traditional phrase is always quoted by much more knowledgeable clerics who insist on ending their opinions with such a phrase, which proves that human knowledge is not complete and that the absolute truth is known to only God. The Shaykh never said this phrase. Did he forget it or did he deliberately forget it to make his answers appear decisive? He could have had a reason for that.

We are now left with a question and a remark. The remark is that only two papers published his full testimony. The two papers are AL-TUMHURIYAH, a government paper, and AL-SHA'B, that claims to be an Islamic paper. The two papers started their articles with the same headline: "The Great Islamic Cleric." (This may not have been a coincidence.)



The question is directed to the television station run by our righteous government. Is it not high time that we reconsider the method used to present those who are affiliated with the extremist intellect, defend terrorism, and spread it? Is it correct to put them on national television so that they reach every house through your negligence, or bad intentions?

If this is moderate Islam, than what is terrorism? How long are the owls going to live in our government nests, whether media or television? If such things are not going to sober you up, then when are you going to sober up?

#### In Defense of al-Ghazali

93LD0021B Cairo AL-AHALI in Arabic 14 July 93 p 5

[Text] AL-AHALI published on 30 June 1993 a heated article by Dr. Rifat al-Sa'id that accused Shaykh al-Ghazali of terrorism and extremism. He relied on phrases the Shaykh used in his testimony before the Supreme State Security Court in the case of the assassination of Dr. Faraj Fudah, may God have mercy on him. What did Shaykh Ghazali say to cause Dr. Rifa't al-Sa'id to accuse him of terrorism and extremism? He said that the judicial system has the authority to punish whoever renounces Islam, and that the public should not do so; otherwise we will have chaos. Answering a question about punishment by one of the public, the Shaykh said, "He would be overstepping his boundaries, and he would be performing what the authorities should have performed."

Answering a question about the punishment for such an action, the Shaykh said, "I do not know of any punishment of this action in Islam."

Dr. Rift al-Sa'id was frightened as a result of the Shaykh's answer that he did not know a punishment for such an action. He correctly asked a number of questions—such as, who has the right to judge that such a Muslim has renounced Islam, and what if the judge made a mistake?

Such questions have never been asked of the Shaykh nor has he ever answered them. The reason that Dr. Rift al-Sa'id was scared is that there might be a possibility that anyone could say that a Muslim is not a Muslim, let alone kill him.

Again, these questions were not asked of the Shaykh and he did not answer them.

Dr. Rift al-Sa'id assumed that the Shaykh would have answered such questions, based on his response that he did not know any punishment in Islam for such action.

On the other hand, the Shaykh clearly said that the public should not punish one who renounces Islam, lest there be chaos. Such a matter is with the jurisdiction of the judicial system and no one else.

Subsequently, he who oversteps his boundaries is responsible for what he has done. He is legally responsible for what he has done. He who kills should be killed. He who kills someone that he considers to have renounced Islam should be killed.

That is what I wanted to clarify. I considered the article of Dr. Rifat al-Sa'id to have contained cruel attacks against the Shaykh for an opinion. The Shaykh said that he did not know a punishment for such an action in Islam. The leader of all the shaykhs, Imam Malik said "He who says, I do not know, has given a fatwah."

Subsequently, the accusation of Dr. Rift al-Sa'id that Shaykh al-Ghazali is an extremist and a terrorist is overstepping the boundaries. He should not have done so. He actually did what he said should not have been done.

#### Investment Official on Economic Development

93AF0700B London AL-MAJALLAH in Arabic  
25 May 93 pp 65-66

[Interview with Investment Authority Chairman Muhyi-al-Din al-Gharib, by Ashraf Sadiq in Cairo; date not given]

[Text] As the Egyptian economy prepares to emerge from an asphyxiating crisis caused by debts, inflation, and a budget deficit over many years, investment is materializing as a factor in the success of this emergence, because it offers hope for prosperity and improved living standards.

AL-MAJALLAH interviewed the chairman of the Egyptian Investment Authority, Dr. Muhyi-al-Din al-Gharib, regarding the Egyptian economy vis-a-vis the Egyptian and Arab scene. Dr. al-Gharib said that Saudi investment represents one quarter of Arab investment in Egypt, and that the Egyptian pound will be floated at the end of 1994. Regarding indicators of the Egyptian economy, Dr. al-Gharib said that, over a ten-year period, the rate of investment doubled to 16 percent, inflation in Egypt dropped from 30 percent to 9 percent, the budget deficit dropped from 7 percent to 3.5 percent, and Egypt's foreign currency reserves rose from zero to \$14 billion. The following is the text of the interview:

[Sadiq] Why has Egypt not yet created an economic climate favoring a flow of investments consistent with the country's potential?

[Al-Gharib] Recent times there have been an abundance of circumstances in Egypt that encourage investors to invest in Egypt. Laws have evolved, and economic policies have been oriented toward reforming the national economy.

The implementation of the economic liberalization policy has given investors a sense that there is a large degree of freedom of action. Market transactions have



become free. And banks are now free to loan at the interest rate set in the market based on interest rates in the treasury bond market.

The investment climate is the sum of all of these factors that have surfaced in recent years, especially after the promulgation of the new investment law in July 1989, and the trend toward economic reform and liberalization that has been taking place in a democratic climate never before seen in Egypt.

[Sadiq] Have the recent terrorist incidents therefore had a clearly negative effect on investment in Egypt?

[Al-Gharib] These incidents have had no effect on investment at present, because no investor is taking these childish acts seriously in the long term. Therefore, all projects that are in the implementation phase are being implemented at the same rates based on the same future plans and goals.

[Sadiq] Could you comment on the declaration made by some terrorist groups that the next attack will be aimed at investment projects in Egypt?

[Al-Gharib] This declaration is comical. I do not at all believe that it is serious. It is merely an act of intimidation. Nonetheless, I am confident that Egyptians working anywhere can defend their work place, be it a factory, hotel, or project of any type. Terrorism will not harm any work place in Egypt.

[Sadiq] Egypt is entering a very important phase in its economic march as it labors to reform its economic path. What are the crucial points of this economic reform?

[Al-Gharib] All indications clearly show that Egypt has achieved economic stability based on a number of crucial points:

First, inflation fell from 30 percent in the early eighties to 9 or 10 percent in the early nineties.

Second, a surplus in the balance of payments was realized last year and this year, after a balance of payments deficit which lasted for more than 30 years. This surplus is reflected in the rise in Egypt's foreign currency reserves in the Central Bank of Egypt to about \$14 billion at present, compared to virtually zero in the last three years.

Third, the deficit as a percentage of the state budget fell to almost 3.5 percent, compared to about 7 percent in the past four years, and it is expected to fall to less than 3.5 percent in the next two years.

Fourth, exports rose, especially nontraditional and commodity exports. Exports now include numerous industrial products, after being limited to raw materials, such as cotton, oil, and agricultural crops.

[Sadiq] Could you comment on the economic reform program imposed by the IMF on the Egyptian Government without deference to low-income persons?

[Al-Gharib] That is incorrect. The economic reform program was formulated more than five years ago. Its fundamentals were established in early 1982, when President Husni Mubarak began his tenure.

The agreement with the IMF began only two years ago, in 1991. Thus, economic reform in Egypt is the product of Egypt's circumstances and the measures adopted by the Egyptian Government. These measures are based on the circumstances of Egypt's economy and the core circumstances of Egypt's environment.

At the same time, I maintain that the program put forth by the IMF does not differ greatly from the program being pursued by Egypt. Perhaps the IMF had it in mind to expedite the adoption of measures somewhat. However, Egyptian policymakers believed that reform should be gradual, because reform entails burdens, and burdens should be borne gradually, not all at once with the pressure it would create.

[Sadiq] Why is the public sector being sold off? Are the difficulties which the public sector is experiencing for one reason or another its liquidation and sale to the private sector, despite the big question marks surrounding such a sale, all of which stress that a sell-off is the easiest solution?

[Al-Gharib] The selling off of the public sector, or the expansion of private ownership and the private sector's participation in ownership of the public sector, stems from an essentially economic matter, which is that a given project cannot be managed with the necessary efficiency and reach its optimal size under full public-sector ownership.

This is due to numerous reasons, the most important being that an owner of assets is constantly thinking about how to make his project realize a profit and achieve the greatest success. The public sector on the other hand is public property. Public-sector workers perform only the work required of them and go home.

Intellectual innovation in any project is based on the individual's ownership of the project. Private ownership of property is a basic incentive which necessarily stimulates thinking and innovation.

[Sadiq] If the Egyptian pound has been able to achieve success domestically against foreign currencies, when will it go out into the world to be floated against other currencies?

[Al-Gharib] The Egyptian pound has indeed been successful domestically, and I imagine that it will soon be floated fully instead of being pegged to just the dollar. In my view, the Egyptian pound could go out before the end of 1994 to move freely in the world and enter and exit Egypt with complete freedom.

[Sadiq] Why is there currently a trend toward reducing the interest rate on the Egyptian pound?

[Al-Gharib] This is very natural. The difference between dollar and pound interest rates, which are at 5-7 percent and 17.5-19.5 percent respectively, has generated interest in Egyptian treasury notes, deposits in Egyptian pounds, and the conversion of dollars into Egyptian pounds. Liquidity in Egyptian pounds has exceeded demand. "Supply has exceeded demand." Consequently, the interest rate, which reflects the difference between the strength of supply and the strength of demand, had to change.

[Sadiq] What about Saudi investment in Egypt. What were the results of your meetings with 400 Saudi investors in late 1992?

[Al-Gharib] Our meetings with the fraternal Saudis are always fruitful, constructive, and characterized by candidness. We in Egypt truly harbor great admiration and liking for the Saudi businessmen in the Saudi chambers of commerce in Riyadh, Dammam, and Jeddah, chief among whom is Shaykh Isma'il Abu-Dawud, the chairman of the Federation of Saudi Chambers. All of them have a constructive view regarding the strengthening of Egyptian-Saudi cooperation, which is considered the basic foundation of any Arab economic cooperation in the future, given the large size and potential of the Egyptian and Saudi markets.

Therefore, economists in the two countries have been meeting since 1987 on an official level and on the level of businessmen. There was an Arab conference on investment in 1988, which was followed by another conference in late 1992, when we met with Saudi businessmen.

All of these meetings had the goal of clarifying the road signs to the Saudi brothers—where we are now, and where we are going. The recent meeting was distinguished by the Saudi brothers' full conviction that we share a common road, and that all of the old problems have ended. Our discussion did not deal with any problems, but with developing closer cooperation in investment and trade between Egyptian and Saudi businessmen.

[Sadiq] What is the total Saudi investment in Egypt?

[Al-Gharib] Saudi investment in Egypt totals 3.5 billion Egyptian pounds. It represents about a quarter of Arab investment in Egypt, which totalled about 13.5 billion pounds as of the end of June 1992. Saudi Arabia occupies first place regarding Arab investment in Egypt. It is followed by Kuwait and the United Arab Emirates.

[Sadiq] Are you satisfied with the volume of Arab investment in Egypt?

[Al-Gharib] What has been achieved to date is a good thing. However, much remains. In reality, Egypt is capable of much more than what has been achieved to date, because of its inexpensive, trained manpower, market, industrialization, and export potential. We lack no advantages and [our investment law] can compete with any other investment law. However, Arab capital is

still moving outside of the Arab world despite the major losses Arab capital has suffered in international financial markets. It seems that Arab capital still prefers the risk of entering Western financial markets to making direct investments in the Arab countries. Perhaps this is why we in Egypt need a securities market. There is a plan to prepare for such a market to begin operating shortly.

[Box, p 66]

#### Investment Authority's Figures

- During fiscal year 1991-92, which ended on 30 June 1992, invested funds increased by 4.5 billion Egyptian pounds or 15 percent, the same rate achieved during fiscal year 1990-91. During the eighties, the rate of increase did not exceed 8 percent.
- Total funds invested as of 30 June 1992 amounted to 34 billion Egyptian pounds, compared to 29.5 billion Egyptian pounds as of 30 June 1991.
- The number of projects established under the new investment law totaled, as of 30 June 1992, about 1986 projects, 332 of which are in the free zone.
- As of 30 June 1992, projects inside Egypt totalled 1,654, including 709 industrial projects, 126 agricultural projects, 303 financing projects, 328 service projects, and 188 construction projects.
- As of 30 June 1992, investment projects had helped create about 274,000 jobs with total wages of 832 million pounds.

## ISRAEL

### Iraqi Nuclear Material Supplier Cuts Israeli Ties

93AA0125F Tel Aviv HA'ARETZ in Hebrew  
27 Jun 93 p 3

[Article by Aluf Ben: "The German Firm That Supplied Nuclear Equipment to Iraq Has Cut Its Ties to Israel"]

[Text] The German firm Liebold, which manufactures vacuum systems and melting furnaces, and that exported electromagnetic welding systems to Iraq's nuclear program before the Gulf war, has announced to the Atomic Energy Commission [AEC] that it will not supply it with any more equipment, according to the weekly NUCLEONICS WEEK.

The chairman of the firm, Horst Heidseck, told the weekly that Liebold had greatly tightened the criteria for the export of equipment that could serve in the development and manufacture of nuclear arms, on the background of the tightening of supervision over exports in Germany, following the exposure of the aid that German firms gave to Iraq.

According to the weekly, Liebold supplied vacuum pumps to the AEC in Israel. The company announced that it was cutting its ties to Israel and India.

Liebold's business in Iraq was investigated by the authorities in the United States, as part of the equipment

that was supplied to the Iraqis was purchased in the United States. It is suspected that the company's special welding equipment served in the manufacture of centrifuges for enriching uranium and of improved Scud missiles. The heads of the company told NUCLEONICS WEEK that the equipment that they had sold to Iraq was commercial, and did not require an export permit before the war.

According to the weekly, Leibold's vacuum equipment was supplied in recent years also to Pakistan, Iran, and North Korea, which are suspected of developing nuclear armaments. The publications about these ties brought its heads to introduce a new procedure for examining export orders, which led to the cutting of the ties to Israel.

With the tightening of the German laws for the supervision of exports, Israel is included on the "black list" of sensitive countries, due to its refusal to sign the Nuclear Nonproliferation Treaty (NPT).

The prime minister brought the request before the German leaders to ease the terms of the supervision. "We complained to the Germans about the sales to Iraq, and in the end the limitations were directed against us," he said during the visit of the German defense minister to Israel.

#### **Golan Druze Hoard Money, Expect Syrian Control**

93AA0127A Tel Aviv YEDI'OT AHARONOT (Financial Supplement) in Hebrew 6 Jul 93 p 2

[Article by Guga Qogan]

[Text] Despite the deadlocked political negotiations, Druze residents on the Golan Heights are hoarding dollars in anticipation of a political settlement that they believe will return them to Syria's bosom in the first stage. Knowledgeable sources report that the trend among Golan Druze is to make preparations in light of the atmosphere in Syria. From meetings held at the "Hill of Shouts," they sense that Syria's middle class is pushing for the peace talks and an end to war.

"The middle class wants business, movement of goods and industrial development," they say. Israel, as they see it, would bring all this if the borders were open. The middle class knows that Israel enjoys advanced technology in industry and agricultural innovations, and that the distance between Damascus and Haifa's port is three hours by truck.

"The Syrians are very practical people, and just thought of doing business with a neighboring country is bringing economic turmoil."

#### **Opportunities for Trade With Egypt Reported**

93AA0126B Tel Aviv YEDI'OT AHARONOT (Financial Supplement) in Hebrew 29 Jun p 6

[Article by Smadar Peri]

[Text] For many years now, Moqi Meltzar, a veteran member in the Likud center and a well-known face in Eilat from his days of serving on Eilat's city council, has been going around with a small suitcase. Each month, he spends two weeks in Tel Aviv and a week to 10 days in Cairo. He dreams of being a businessman, of bringing normalization, and of being the intermediary between Egyptian businessmen and Israeli factory owners. As an avowed Likud member and enthusiastic peace supporter, he embodies an extraordinary combination. He has practical criticism for Israelis and Egyptians. He has been in Egypt 200 times and has countless stories. It is impossible not to like him.

Hasan 'Isa, who was the Egyptian consul in Eilat and is now a UN representative in Saudi Arabia, opened doors for Meltzar and gave him recommendations, addresses, and professional guidance. Meltzar, a personal friend of 'Isa, is finally beginning to recoup the extensive funds that he has invested in frequent trips, hotel stays, and hospitality in the restaurants of Cairo and Alexandria. Things are finally beginning to move. Someone in the upper echelons in Cairo has now decided to give the green light to economic cooperation and import-export activities with Israel.

Meltzar: "I hear people say, 'Moqi Meltzar is crazy,' and 'Why is he running to Egypt.' It is the Israeli factories and businessmen, to be precise, who are giving me troubles. They have yet to comprehend the great potential in the Egyptian market. Of Egypt's population of 59 million, 6 to 5 million can buy anything that a resident of [upscale] Hertzliya-Pituah or Saviyon can buy. Even the lower strata of the Egyptian market are an ideal target for Israel's surplus output and exports. They are willing to pay cash in advance. It is in Israel, however, that I encounter the shrugging of shoulders and evasion. Many tell me, 'Leave me alone, I tried to make deals with them. This is not serious.' And I implore: Come do business in Egypt now. The time is right."

Meltzar will not disclose the names of his partners in Cairo and Alexandria. Even today, after the green light has been given for normalization with Egypt, businessmen and factory owners in Egypt prefer to be cautious. Most of them have connections with the Arab world and prefer to operate according to the hard and fast rule that it is permitted to buy Israeli products and know-how, but scrupulousness must be exercised in replacing labels and importing goods via indirect routes.

The port of Limassol in Cyprus makes a good living from the transfer of Israeli goods not only to Egypt but also to many Arab countries, including Saudi Arabia, the Gulf emirates, and the Maghreb countries of North Africa.



According to Meltzar, Egypt is the Arab world's largest consumer market and the current gate to diverse economic partnerships with Saudi Arabia, Syria, Morocco, Algeria, and the Gulf emirates.

Meltzar's formula for making deals in Egypt is simple: An Israeli entrepreneur links up with an Egyptian entrepreneur and together they establish a factory. The Israeli brings used equipment, and the Egyptian brings cheap labor. The Israeli sells the goods in Europe and the United States, and the Egyptian sells them in the Arab world. The combination of used equipment and cheap labor is likely to result in the production of inexpensive, very competitive products.

Moqi Meltzar is critical of Israeli industrialists, because they display "Ashkenazi opposition" to any relations with the Arab world. But he is also critical of the Egyptians: "On one occasion, the prime minister approved for me the donation of all of our surplus apples to Egypt. However, because of administrative problems with the Egyptians, 30,000 tons rotted. A decision had to be made overnight, but the Egyptians are unable to act under pressure. They begin to display suspicion and get ready to leave."

At the end of the month, a delegation of Foreign Ministry officials will be going to Cairo for discussions on expanding economic cooperation. The delegation, which will be headed by Foreign Ministry Director-General Uri Savir, will attempt to clarify the products that Egyptians and Israelis are interested in buying from each other, how to facilitate the granting of import and export licenses, etc. The Egyptians have already promised that Israel will be able to participate in the international trade fair in Egypt, which is a convenient place for developing trade relations not only with Egypt, but also with entrepreneurs and business owners from the countries of the region.

Meltzar: "Until now, politics impeded economic relations. This is no longer so."

Dr. Nimrod Noviq, now a private businessman, who returned 10 days ago from a trip to feel out businessmen in Egypt: "We have a partner in Cairo, a local businessman. In the past two months, I have discerned the beginning of a new chapter. Even Nasserist businessmen are arriving who I never dreamed would agree to do business with us. I definitely sense that the government in Cairo not only consents to the sparks of cooperation, but also welcomes them."

"They are now talking with us about mutual investments. For example, they are suggesting joint investment in the construction of a hotel in Israel. They are pressing to reach Tel Aviv quickly to check out the possibilities. For them, Israel is 'good business.'"

#### 'There Is No Political Problem'

Dr. Noviq, a former political adviser of Foreign Minister Shim'on Peres, delivered an encouraging report to Foreign Ministry Director-General Uri Savir. "We are running all over the world, and Cairo only is an hour away by air. It seems foolish to me to travel nine hours to Kazakhstan to make the same deals that can be made today in Egypt, whose funding problems are no more difficult than those of Kazakhstan."

Muhammad Basyuni, Egypt's Ambassador in Israel: "The political dialogue between the leaders in Egypt and in Israel is better than in the past, because we believe that there is a partner to the desire to reach agreements. This has an influence and creates a good atmosphere in all areas. Accordingly, the way is open to greater cooperation between our countries. For example, if there is in Israel goods that seem cheaper and of a better quality, there is no reason that I will not buy them. However, it is important to emphasize that there is also no problem on the political level. The Egyptian Government will not compel or force Egyptian businessmen to conclude deals with Israel."

At the Egyptian Embassy in Tel Aviv, the economic adviser, Hamdi Lawzah, offers introduction services to Israeli businessmen who travel to Egypt for the first time. "We introduce the Chamber of Commerce in Cairo, and we recommend to Israeli entrepreneurs that they establish direct contact with the chamber. The Chamber of Commerce has detailed information about demand in the Egyptian market and the addresses of private entrepreneurs in different areas." Basyuni, Lawzah, Meltzar, and Noviq all agree that it is now worthwhile to jump on the cooperation bandwagon. Basyuni: "It is necessary to begin to deploy for economic cooperation in the region, and trade relations between Egypt and Israel must be a successful model."

#### Especially Low Profile

They are called the "Sunday to Thursday Companies." Dressed in ties and dark suits in the winter, and light safari outfits in the summer, they fly from Tel Aviv to Cairo on El Al Airlines on Sunday evening and return to Israel on Thursday night. They are Israeli businessmen who have maintained an especially low profile for many years now.

One of them, for example, who beseeched me not to mention his name or business in Egypt, established an underwear factory with a local partner in a village in the Egyptian countryside. The product, which is excellent and produced with cheap labor, is sold very cheaply to marketing networks and department stores in the United States, Europe, and the Arab world.

Another Israeli businessman, who lives in Tel Aviv, enjoys the advantages offered by a second passport at his disposal. Once every four or five weeks, he flies to Europe and continues on to Saudi Arabia, Oman, or Dubayy to visit "his" factories.



What does Israel buy in Egypt? Oil, cotton, leather products (men's and women's coats, purses, shoes), garlic, dehydrated fried onion, paper, cardboard, knitting wool, furniture, preserved fruits and vegetables, construction materials, spices, seeds and nuts, sugar, and sweets. Oil heads the list of Egyptian sales to Israel.

In Israel, the Egyptians purchase chemicals, irrigation equipment, fertilizers, pesticides, seedlings, glue, cattle, animal oil, plastic products, fur, optical equipment, dentistry equipment, paint, and more. Know-how and agricultural equipment head the list of Israeli sales to Egypt.

#### **Relations Between Israel, Radio Monte Carlo**

93AA0125D Tel Aviv HA'ARETZ in Hebrew  
1 Jul 93 p 2

[Article by Nitzan Horowitz: "Rabin Will Be Interviewed Tomorrow for the Arab Radio Station Monte Carlo"]

[Text] Paris (Special to HA'ARETZ)—During his official visit to France, which began last night, Prime Minister Yitzhak Rabin is supposed to grant a special interview tomorrow to the Arab radio station Monte Carlo, which broadcasts to the entire Middle East. The interview will take place in the hotel where Rabin is staying in Paris.

Israeli factors view this as a kind of small breakthrough, because Radio Monte Carlo is the most balanced station in the Middle East and constitutes one of the important information sources on Arab affairs. For tens of years, the station has been considered to be an outstanding mouthpiece for anti-Israel propaganda, and this is the first interview of an Israeli prime minister for this station. In the past, Foreign Minister Shim'on Peres gave a brief interview to the station.

For years, Israel had no contact with the station, but with the beginning of the peace process, Israeli factors made an effort to reach the Arab media, and the contacts with the chiefs of the station on this matter have been going on for about a year. After hesitation, the station agreed to hold the interview, which will apparently be recorded in the English language, and it is not yet clear when it will be broadcast.

The editorial board of the radio station is located in Paris, while the transmitters are in Cyprus. The station's transmissions are received throughout the area from Libya to the Persian Gulf, and tens of millions of persons listen to them regularly. The station is owned by the French Government, which also appoints the station director. But the staff is based on journalists from all over the Arab world, who operate completely independently and without direct French supervision. Most of the broadcasts are in the Arabic language, with a minority in French. The station has reporters in all of the Arab states, as well as a Palestinian reporter in the territories.

#### **GSS Agent's Role in Hamas Captures Discussed**

93AA0103A Tel Aviv YEDI'OT AHARONOT (Weekend Supplement) in Hebrew 11 Jun 93 pp 1-3

[Article by Na'omi Levitzky]

[Text] The climax occurred late Friday night/early Saturday morning. A warning was received at about 0300. At that time, a major forming-up began. In the light of the almost full moon, forces moved on the roads that twist around East Jerusalem toward Shu'afat Refugee Camp. There, between the village of 'Anatah and the refugee camp, the forward command detail had taken up a position.

The operation unfolded like clockwork. Two details of General Security Service [GSS] combatants, accompanied by police and border police, moved quickly toward two houses that had been marked. One detail was designated for 'Anatah, the other for Shu'afat. Slightly to the rear, in the forward command detail, waited Police Commander Yehuda Wilk, the commissioner of the Jerusalem District, additional GSS personnel, and a rescue team.

Standing among all of them was a man with a somewhat paternal appearance, the commander of the entire operation, the GSS chief of the Jerusalem-Judea-Samaria Region. It could be said that his post corresponds to that of the commander of the Central Command in the Army. However, unlike his uniformed colleague, as a member of the GSS, his identity must remain absolutely confidential. Because of the prohibition against publishing his name or picture, we will call him "Gimel" here.

He waited in the forward command detail, chain smoking as is his custom and distributing orders. One of the people present muttered, "He has already forgotten what we have yet to learn. For Gimel, this was the central point in an operation that had lasted about three months.

More than 120 members of the hard core of Hamas [Islamic resistance Movement], an especially tough group to crack, [had been detained]. The GSS gathered information piece by piece until it closed in on the Jerusalem cell that had kidnapped and murdered Nisim Toledano and murdered Dani Hazut and Mordekhay Yisra'el.

Dozens of GSS personnel participate in an operation of this type. Some of them are directly subordinate to the region, others are support personnel. However, the timing of the capture, the most critical moment, is entirely up to the region chief. The decision when and how is his, because every novice GSS agent knows that incoming information—a complicated matter by itself—is not enough; in the end one must also have mastery over the information.

The day before, on Thursday, they arrested two members of the cell, including the commander, Musa 'Isa. They were now on the verge of arresting the other two, Musa

Muhammad 'Aqri from Shu'aat and Majid Hasan Abu-Qatish from 'Anatah. The latter was considered an especially sensitive arrest, because arms were supposedly hidden at the house in which he was located, next to the wall.

Everything had to be planned neatly. Each step had to be checked and measured, like the movement of a surgical knife. The element of surprise is decisive. And, indeed, 'Aqri and Abu-Qatish were asleep when the forces broke into the houses. The surprise was complete. When Wilk and Gimel somehow received a signal in the forward command detail, they dashed from their position and joined the combatants. It was now 0345. Later, in the debriefing, the speed of the operation was mentioned in dispatches.

As always, the combatants' departure from the field is followed by the politicians' and officials' big moment. On Saturday evening, Rabin held an exhibitionist press conference. The next day, the GSS chief appeared before press representatives. Anyone seeking to see the GSS chief flanked by Gimel, who did all the work, was disappointed. The GSS chief sent Gimel to a secondary appearance, to brief the foreign media.

Thus, while the GSS chief was meeting with newspaper editors and Israeli correspondents in the Defense Ministry's hall for festive occasions, Gimel was quietly and humbly meeting with foreign reporters at Beyt Agron in Jerusalem. Gimel, a strong man, swallowed his pride and told them how the facts unfolded, taking them step by step on the chase that he had led for three months.

Matters began to take shape on 23 February, when two wanted persons who had attempted to escape into Jordan were apprehended. The interrogation of them brought to light two safe apartments, one in Nabulus, the other in Tubas. In one of the apartments, a Hamas wanted person from the village of Salfit was apprehended. His interrogation yielded the first serious information on the "Jerusalem cell."

On 1 June, Ibrahim al-'Ahdah, a senior member in Hamas' military wing, was arrested in Janin. His arrest was followed by the arrest of Musa 'Isa, the cell's commander. 'Isa, 25 and unmarried, had lived in 'Anatah and worked in the Jerusalem branch of Sawt al-Haqq wal-Hurriyah [Voice of Truth and Freedom] news agency, whose offices are located in Umm-al-Fahm.

He and his three partners had decided to carry out a strike inside the Green Line and then join Hamas. They kidnapped and murdered Nisim Toledano before officially joining Hamas. In that phase, they were an independent cell. However, they already called themselves "the Secret Cell of 'Izz-al-Din al-Qassam."

Musa brought the murder of Toledano as his dowry when he sought to join Hamas officially. He knew al-'Ahdah from his student days in Jerusalem and the

two formed easily into a pair. To prove that they had carried out the murder, he brought Toledano's pistol with him.

Now, they were worthy of receiving financing and arms from Hamas. At Beyt Agron, Gimel explained to reporters that this terrorist cell was ideologically motivated. They spent the money which they received only "on the objective," i.e., on what they needed to carry out the attacks which they planned. The Jerusalem cell and the second cell that was uncovered, the car bomb cell, were similar in this respect.

The reporters at Beit Agron were deeply impressed. They praised Gimel's candor and the fact that he did not propagandize in any way. They related how he refused to answer any question that smelled of politics. We kid you not, they said. A French reporter, said that he would not want to be on Gimel's wanted list. "I would not want him to chase after me," he said.

Gimel's friends received the impression that he was a bit frustrated by the affair. He is now at a crossroads and facing a moment of truth. With 32 years of service and four stints as a region chief, he has now begun to be nicknamed the Yitzhaq Mordekhay [who has headed the southern, central, and northern regional commands of the Israel Defense Forces] of the GSS. Gimel has worked the north and south, and he is now doing a second tour in the Jerusalem region.

Except for one branch chief, who has served as a kind of special, unemployed adviser for some time, Gimel is the most senior of the GSS branch chiefs and certainly the most experienced among them. With his service record and successes, he finds it difficult to understand why he has not been marked as a successor to the top GSS post, i.e., why the chief has not selected him as his deputy.

Gimel and the GSS chief had an agreement between them. It was not really a promise, but an understanding as it is called in GSS parlance. Now, there is no understanding. There is nothing. Everything has been forgotten. On Sunday, which was such a successful day for him, Gimel was relegated to the shadows. He was invited to neither the cabinet meeting nor the press conference. He found on his desk a congratulatory limerick written for him by a deputy region chief from Tel Aviv.

About a year and a half ago, the GSS chief recalled him from a foreign mission. The [Jerusalem-Judea-Samaria] region chief at that time had been forced to quit under unpleasant circumstances, and the chief asked Gimel to return to the region. Gimel was not exactly sorry to return from abroad. He did not understand what the hell he was doing there anyway. At the height of the intifadah, a short time after he was appointed to the post, the GSS chief relieved him and gave him a foreign mission.

Gimel, who found this unacceptable, went to Shamir, then prime minister. What has happened to you, he said in his direct way. How can you send an operations man

like myself to hang around abroad? How can you allow an intelligence man like myself to deal with security. But the boss had decided, and Shamir, like Shamir, remained quiet. Gimel ate out his heart abroad. How could they dispense with me, he asked himself repeatedly. When the new appointee to head the region turned out to be a bad bargain, the GSS chief summoned Gimel back.

Come, work with me, the chief told Gimel, you will not be sorry. Gimel only wanted to know if the position would preclude him from being appointed deputy GSS chief. No, no, that is incorrect, the chief told him in his chummy way, you can be region chief and even my deputy. Since then, the chief has told him that he has no chance of managing, or is even suited to manage, the GSS of the twenty hundreds. When Gimel understood that the check was not covered, he sought a meeting with Rabin. After his meeting with Rabin, if and when it takes place, Gimel will decide whether to remain.

Gimel was born in Jerusalem. His father, born in Israel and of Iraqi extraction, was an architect. His mother, who immigrated from Germany in 1930, was a teacher in a seminar for day-care providers in Beyt Hakerem and continues to live in Jerusalem. When Gimel was a boy, his mother wrote a book for small children.

"Gid'on was born in Jerusalem and is now nine" begins the story of the boy who travels daily in the bus to school, until one day, he forgets his school bag on the crowded bus. Gimel was what is now called a latchkey kid, inasmuch as both his parents worked and he was raised by his grandmother.

His wife, an immigrant from Australia, works in a hospital in southern Israel. They have two sons. One is studying in the United States. The other serves in the army as an instructor at the Officers' School. They also have a daughter born to them "in their old age" who is a school pupil. Gimel was a cohort of Agriculture Minister Ya'akov Tzur in the Mahanot Ha'olim youth movement. He enlisted in parachuted NAHAL [Fighting Pioneer Youth] and went to Kibbutz Mahanayim, where he dropped anchor for several years. When he studied at Haifa University, then called University Institute, he was already in the GSS.

He studied political science and geography and served as a rank-and-file operative, a soldier. In those days, the GSS still did not have an operations branch, and each region enlisted its own operations personnel. The Haifa region was then the most important, the threat being political subversion and espionage. Operatives rode on motorscooters then and traveled in cars that were called *deux chevaux* [two horsepower].

By then, Gimel already stood out as a daring if not somewhat wild operative. Legend has it that he galloped the slope of [Stela Maris], where the cable car now descends, not on a horse, but on a motorscooter. When he was chief of the southern region, he had an argument

about the brand of jeans he was wearing in the course of an arrest operation in a house in Gaza. To prove he was right, he dropped his pants.

The paths of the GSS chief and Gimel met immediately after the Six Day War. The GSS was then deployed for a new era of dealing with the Arabs of the territories. The GSS started an intensive Arabic course, and the two shared a room. Since then, they have gone together, cheek by jowl. The chief, who is younger than Gimel, has always stayed ahead of Gimel regarding promotions.

Initially, both were coordinators. In those days, there were seven coordinators in the entire West Bank, and the position of subdistrict coordinator did not yet exist. As requirements grew, the first subdistrict coordinators were appointed. The current chief was appointed to be a subdistrict coordinator, and Gimel was compelled to wait for the next round of appointments. This was the first spark in their complex relationship, which could be characterized as a personal friendship spiced with strong professional competition.

Gimel had a hard time watching others get promoted before him. Once, when an entire group was promoted, he threatened to quit and be Coca-Cola's sales representative in the territories. He did not quit. As a coordinator, he began to stand out as a first-rate operations man. As a subdistrict coordinator, his superiors detected in him an extraordinary ability to identify, recruit, and use sources.

Over the years, in all of the positions that he has held, Gimel has acquired a reputation as one who fights his subordinates' wars. He has always been faithful and concerned for his subordinates, but considered problematic by his superiors. He has never engaged in flattery. He is direct and far from being a yes-man. He says what is on his mind, even when others do not wish to hear.

He is stubborn and filled with ideas. He will champion his view in every possible forum. It is said that if he does not awake with 10 new ideas in the morning, the day is a loss. He generates ideas compulsively and is a workaholic through and through. He demands the same from his subordinates.

Once, when he was younger and wilder, and his view on a certain operation was not accepted, he hung up before hearing his commanders' order. Time and the positions which he has filled have moderated him. However, to this day, he has trouble shaking the "crazy" label attached to him then.

He is tall and solidly built. The belt of his pants is fastened low, beneath a small belly. It is difficult to see the clasp. Although his hair has turned grey, he appears to be younger than his 56 years. His dress is untidy. His shirt tail usually hangs out. On rare occasions, one catches him in a suit. When he was chief of the northern region, the plague of roadside bombs was rampant.



Everyone was going around in SHAHBATZIM [expansion not given]. He arrived suddenly in a jacket and tie "to give the guys a feeling of security," he explained.

When he held lower positions, it was said that he saw only the narrow world and lacked an overall view of the GSS. Now, after all of the positions that he has held, he is considered the person most identified with the service. But, now it is said that he sees only the narrow world of the GSS and lacks an overall view of the political situation. He provokes disagreement. Either you like him or shrink from him. It is difficult to remain indifferent to him. Over the years, he has accumulated not a few enemies. They too acknowledge that he is a sterling professional.

He has managed to be in each region in the most difficult period. He managed the southern region during the withdrawal from Sinai. At that time, there were hundreds of attempts to smuggle grenades through the Sinai into the Negev and the southern Gaza Strip (about 1,100 grenades per year). On some nights, 300 grenades were seized at night as they were being transported on camels; all of these operations were initiated in the Gaza Strip. Terror had come to life, and when the withdrawal from Yamit began, he found himself facing a Jewish problem [of Jewish settlers who refused to leave Yamit].

Gimel and the GSS chief are complete opposites regarding their personalities. Gimel is a man of extremes and sharp edges. The chief is more moderate, rounded at the edges, a good sport who is the highlight of the evening at every party, getting what he wants in a serpentine manner, like a politician. Gimel, on the other hand, will sit on the side at parties. He will not dance. He will not exert himself. He will always prefer to watch a suspense film on television. If the chief prefers the company of politicians and well-known restaurants, Gimel will seek the company of his subordinates. Together they will go sop up some hummus. He will play chess with Yoram Aridor and backgammon with the driver. He is very direct, to the point, somewhat cold, perhaps like Refa'el Eytan in terms of his personality. He gets what he wants like a bulldog. He will not let up until he is exhausted.

When Gimel was a department head and deputy chief of the northern region, the current chief was appointed commander of the northern region. This was when the rift occurred between Gimel and the chief. Gimel rebelled, and it seemed to Rabin that Gimel was refusing to accept his authority. The chief then complained that Gimel was undermining him. The shadow of that period continues to come between Gimel and the GSS chief to this day.

In that same period, the investigation of 'Izzat Nafsu was being conducted. Yosi Ginossar, then deputy chief of the Investigations Branch, conducted the investigation. A debate arose very quickly in the region regarding the matter. The chief, as was his custom, sat on the fence and

did not take a position. Gimel, by contrast, said to anyone who was willing to listen that the GSS was mistaken.

Matters came to the attention of the GSS chief at the time, Avraham Ahitov, who summoned Gimel and told him the following, approximately: I heard that you are saying that the service is mistaken. Ginossar is handling the matter, not you. If you continue to talk like this, even after the trial, I will see to it that you will not be promoted.

Subsequently when Gimel was northern region chief, and Lebanon had become the region of his resurrection, he attempted to convince Avraham Shalom, then GSS chief, to reexamine the matter. It did not go over well. When the affair exploded, Amnon Strasnow, the military advocate general, summoned GSS personnel who were directly involved in the matter, except Ginossar.

Strasnow also requested to see Gimel, even though Gimel was not directly involved in the investigation. Gimel was convinced that an injustice had been done to Nafsu, who was charged with a criminal offense. To a great extent, his remarks tilted the balance in favor of the Circassian officer, who was sentenced to 18 years in prison for treason. From Strasnow's standpoint, this was a decisive meeting. After it, the decision regarding how to present matters in the Supreme Court matured in his heart.

In Gimel's first stint in the Jerusalem region, the intifadah was at its height, and the GSS was facing a new game. In the territories forum, which Rabin (then defense minister) convened every Friday, Gimel was very extreme in his attitude—a militant activist who wanted to deport masses and put anyone who moved under administrative detention.

He was so extreme that the chief feared sending him to these meetings alone. He did not care if Gimel made his view heard. His only concern was that Gimel's view would be regarded, God forbid, as the GSS view. In those days, Gimel gained a reputation as an extreme rightist. The political establishment continues to view him as such, although one is uncertain whether this label is correct.

Gimel came to his second stint in the region in late September 1991. The situation in the West Bank was difficult then. His predecessor left behind him scorched earth in many areas. Things were not working, and human relations in the region were undergoing a difficult crisis. In such a situation, everyone tends to blame everyone else, and Arens, defense minister then, had many claims.

Within several months, the situation was definitely turned around. The combination of Gimel and Dani Yatom, with significant help from the commander of the Israel Defense Forces in the territories, Bogi Ya'lon, worked like a well-oiled machine. In the reception that



Arens held on Independence Day, Gimel, like everybody, stood in line to shake Arens' hand. Arens shook his hand warmly and thanked him.

Since then until the operation this week, hundreds of wanted persons have been apprehended in the West Bank. In Janin alone, the number of wanted persons has dropped from 200 to something like 15. When Yatom completed his tour as regional commander, I interviewed him. He said, "The work of the GSS has improved greatly during [the past] year and a half."

Gimel was dealt a severe blow by the murder of GSS coordinator Hayim Nahmani by an agent. Gimel was devastated. At the funeral, he was seen standing on the side, his eyes lowered. He was in pain. Later, the time of accounting arrived. The chief appointed an internal inquiry team composed of branch chiefs and the inspector.

Gimel was furious. He went to the staff, blazing. He roared at one of them that he had already forgotten what it is to be a region chief. To another he roared that he does not know what the field looks like. To the chief, he said that a commission of inquiry does not matter, but it should at least know what it is doing. At the end of the inquiry, the commission recommended admonishing a number of personnel of the region, including the region chief.

Gimel thought that this recommendation was unreasonable. The chief thought so, too. It is a fact that the commission did not admonish Gimel. The information was leaked to Karmela Menashe, and now it was the chief's turn to become furious. He demanded that all branch chiefs, including Gimel, and the inspector take polygraph tests. Gimel did not consent. You make me laugh, he said. Why would I leak to my own disadvantage? He was not ready to participate in the game. This episode did not promote Gimel's relations with the chief.

Gimel could actually retire contentedly. At 56, with his long list of achievements and posts, retiring would be nothing to be ashamed of. However, Gimel is addicted to his job. Not long ago, a friend asked him, how have you tolerated this for such a long time. I love it, Gimel told him.

#### **Splits in Hizballah Said To Spur Border Attacks**

93AA0125C Tel Aviv HA'ARETZ in Hebrew  
29 Jun 93 p 2

[Article by Gay Bekhor: "Shiite Holidays as an Opportunity for the Firing of Katyushas"]

[Text] Today and tomorrow are special days for the members of the Shiite community in southern Lebanon. The day of the 'Ashura that the Shiites will observe tomorrow in memory of the death of Huseyn Ben 'Ali (the nephew of the Prophet Muhammed) and the day of the Ta'asu'a, which is observed today—constitute a symbol of Shiite activism and readiness for self-sacrifice.

These days have become preferred dates for the Shiite organizations for carrying out operations and attacks against the IDF [Israel Defense Forces] and SLA [South Lebanese Army] soldiers in southern Lebanon. It is likely that the launching of katushas yesterday before sunrise towards the Israeli border was carried out against this background.

But these days are not the direct reason for the katusha attack on Qiryat Shemona. In fact, they are a means of transferring to Israel the factionalism, the conflicts, and the confrontations that exist today in the Shiite community in southern Lebanon, when it is sometimes the northern border that pays the price of these confrontations, in an attempt by one side or another faction to stand out over the others in the internal Shiite camp.

The Lebanese newspapers have been reporting in the last few days about a worsening conflict in the Shiite camp in southern Lebanon between the combative Hizballah movement and the larger movement in the Shiite camp, the Amal movement.

The day of the 'Ashura, on which there are processions of self-flagellation and blood-letting in Tyre, Nabatiya, and the villages of the Zaharani, has become the arena of conflict between the two organizations. Whoever manages these processions actually indicates his strength in the street. The organizations set up recruiting booths in the streets, and tens and hundreds of new young persons join the two organizations in the enthusiasm of the 'Ashura.

That is the measure of the strength of each organization in the field. The Lebanese-European daily AL-HI'AT reports: "The south is drowning in a sea of black, white, green, and light-yellow leaflets," as every organization gives prominence to the expected marches under its auspices. The activists of each organization tear up the leaflets of the other side, and since the beginning of the Muslim month of Muhram, since 21 June, tens of mass brawls have broken out in the villages and the cities of southern Lebanon.

Despite the attempts to crystallize "a treaty of honor" between the sides, enmity is noticeable between the two Shiite organizations. In the Hizballah, they are apprehensive that with the achievement of an Israeli—Lebanese settlement, the Amal movement will grow stronger, at the expense of its more extreme opponent. It may be that the demonstrations of strength by the Hizballah in the last few days against senior activists in the SLA or against the security zone and the northern border, were carried out in order to intensify the impression made in the field by the Hizballah.

The Hizballah movement is divided today as it never was before. The factions are divided between Secretary-General Hasan Nasrallah, who was reelected recently and is supported by the southerners, and he who lost his official positions in the movement—Subhi Tupayli—and also his associate Muhammed Hasan Ya'ari (Abu Salim), who are supported by the people of the Bek'a.

Tupayli regards Nasrallah as a compromiser who takes a conciliatory line, a destructive one from the viewpoint of Hizballah, towards the Amal movement and the government of Lebanon. There are also disagreements on everything concerning the manner in which the aid from Tehran is used.

At the third Hizballah conference, which was held two months ago at Ba'al Bek, Nasrallah ran things, and Tupayli was expelled from the Council of the Shura, the government of the Hizballah, but Tupayli holed up with his men in the Bek'a and threatened revenge.

The Lebanese weekly AL-WATTAN AL-ARABI wrote last week that "Tupayli may succeed in creating fissures in the centralistic system of Hizballah, both in the political framework and in the military one, and there are those who believe that he has established his own Hizballah organization." The two factions are strengthened by different foci of power in Teheran.

Muhammed Hasan Ahtari, Iran's ambassador in Damascus, 'Ali Zadeh, the Iranian charge d'affairs in Lebanon, and the commander of the Revolutionary Guards in Lebanon, Rida 'Askari, are doing everything in order to prevent an official schism in Hizballah, and, according to AL-WATTAN AL-ARABI, they have threatened that a split in the organization is liable to lead to the cessation of the aid from Teheran.

According to the newspaper, the spiritual leader of Hizballah, Muhammed Huseyn Fadlallah, also has warned that whoever tries to disobey the orders of Tehran will be punished and excommunicated.

In the framework of the attempt to heal the split in the organization, Tehran invited the person responsible for the military side of the organization, Zakhriya Hamza (Abu Yihye), and asked him to allocate combatants from all of the factions to undergo a training course in the E-Sadak camp in Iran.

The factionalism within Hizballah also affects the attitude of the cadres of the organization towards its parliamentary political faction in the Lebanese parliament, the Al-Wafa faction (Keeping of the Promise).

#### **Palestinian Tactics, Jerusalem Issue Viewed**

93AA0126A Tel Aviv YEDI'OT AHARONOT in Hebrew  
30 Jun 93 p 3

[Article by Uri Elitzur]

[Text] Everyone seemed to be caught off guard when the Arabs suddenly raised the issue of Jerusalem, which almost caused the irreparable collapse of the peace talks. By everyone, I mean those who for some reason or another believe in the Palestinians' sincere desire to achieve peace based on a pragmatic compromise, and people like myself who believe that the Palestinian strategy says: Let us take from the Jews what they are

willing to give, and later it will be easy for us to go to war over what they are unwilling to give.

According to both outlooks, claiming Jerusalem at this stage is a deviation from the course and is very much a return to a previous time, namely the period of rejection and the days of "there is no one to talk with." According to both outlooks, it is difficult to understand why the Arabs are suddenly upsetting the applecart and spilling out the choice apples which have already been collected in it.

I have read several brilliant commentaries on the tactical considerations that prompted the Arabs to take this step, and several sophisticated explanations of the true ulterior motive behind the ultimatum of "Jerusalem now" as it were.

However, I do not at all think that this is a sophisticated matter or a tactical step motivated by a so-called ulterior motive. It is based not on cunning or calculation, but on experience. It is occurring now simply because the experience is occurring now.

MERETZ members are right when they claim that the closure not only has security significance, but is also a kind of large, political simulation exercise. Rabin has not agreed to change its name to "separation." However, the prime minister has yet to learn that a name does not determine reality, and that a booklet does not create achievements. Whatever you wish to call it, a large simulation exercise is definitely taking place in the field. Very many Jews and Arabs are indeed experiencing separation. However, the novelty of this separation is being felt primarily by the Arabs. For Jews, the claim that the closure reestablished the Green Line is incorrect. The intifadah, in what was really its only big victory, reestablished the Green Line years ago, but only as a unidirectional valve through which Arabs but not Jews—apart from the settlers and a handful of stubborn people—passed. The closure has eliminated this unidirectionality. If we do not pass to your side, neither will you pass to our side.

This remark notwithstanding, MERETZ members are, as stated above, correct. The roadblocks of the closure are still far from resembling border terminals. However, it is a fact that there is a separating line, and most people are not passing from one side to other, because they do not wish or are not allowed to do so. Either way, a separation is occurring in the field.

Up to this point, MERETZ members are correct. But from here on they make a big mistake. They assumed that, because Jews and Arabs would slowly become accustomed to the reality of a de facto separation, it would be much easier for all of us to reach a political agreement, which would only entail giving an official imprimatur to a clearly existing situation. This assumption ran aground in Washington this week. Proponents of separation forgot that the Green Line not only separates between Arab and Jews, but also between Arabs and Arabs. The closure actually separates, quite cruelly,

the Arabs of Bethlehem and Ramallah from the Arabs of Jerusalem. As long as separation remained a vague formula and theoretical ideas, Jerusalem could be deferred to the hazy future on the groundless hope that something with which we could live would ultimately be found. However, as soon as separation became a reality of life, the illusion was exposed. The security fence and passport control points and terminals of which MERETZ members dream have not been established yet. The closure remains limited to irritating, bureaucratic Israel Defense Forces roadblocks through which any Arab with a bit of resourcefulness can find a way. Thus, the closure has stopped being intolerable. However, after three months of this experience, the Arabs are telling us, simply and without any ulterior motive, that a separation from Jerusalem is not possible.

I am not sure that the prime minister meant exactly what I mean. However, I am willing to agree with him that we should bless the idea of the closure and the fact that, with more luck than intelligence, we have gone through this experience while there is still time before a political agreement is reached, not after one. Now we know that whoever does not wish to see barbed wire fences and mine fields return to the heart of Jerusalem, and whoever does not wish to rededicate Mandelbaum Gate, must stop dreaming of a political agreement in the short term. Instead, they should set their sights on an agreement based on a separation in the long term as well.

#### Call For Control Over Mosad, Security Services

93AA0125B Tel Aviv HA'ARETZ in Hebrew  
2 Jul 93 p B1

[Article by Ze'ev Shiff: "Who Oversees the Mosad"]

[Text] Without any publicity, Maj. Gen. (res.) Rafa'el Vardi submitted recently an important report to the prime minister on the intelligence services. Vardi was asked to express his opinion on the connection between the prime minister and the intelligence services that are subject to his authority—the Mosad and the General Security Service [GSS]. The subject is, in fact, control and oversight over these secret services. Among other things, Vardi touched on the question whether the head of the Mosad and the chief of the GSS should have a fixed term of service. It is a pity that Vardi's authority was not broadened also to the extent of the oversight of the subcommittee for the services of the Knesset Foreign Affairs and Security Committee. That way, it would have been possible to get a complete picture that includes parliamentary oversight.

We have learned that Maj. Gen. Vardi recommended that the term of service of the chief of the Mosad and of the chief of the GSS be fixed at four years, with the possibility of extending it one more year—five years, in all. The tradition is that the term of the chief of staff is set at three years, but for most of the chiefs of staff it was extended to four years. Rafa'el Eytan and Moshe Dayan served in their positions for five years.

Why did the prime minister decide suddenly, in 1993, to appoint a man to examine the degree of his control over the Mosad and the GSS? In my opinion, this should be connected with the things that were said to him by his former military secretary, Brig. Gen. 'Azri'el Nevo, who is leaving soon to serve as military attache in England.

It turns out that Nevo left behind him a very harsh opinion about the prime minister's oversight over the Mosad. The military secretary is the one person who maintains liaison with the Mosad and the Shabak for the prime minister. The custom is that the military secretary participates in almost all of the working meetings of the prime minister and the chiefs of the services. Only if a personal meeting is involved does the military secretary leave the two by themselves. There is no special adviser to the prime minister on intelligence matters.

During the period that Menahem Begin was prime minister, as well, Nevo had reservations about the degree of control and oversight of the prime minister over the Mosad. In that period, Nahum Admoni was chief of the Mosad, and one of the subjects of disagreement was the internal criticism within the Mosad. It seems that today his reservations are sharper, also due to the time that has passed.

Why does the Mosad require greater oversight than the IDF [Israel Defense Forces] intelligence branch or the GSS? In my opinion, there are no problems of oversight and control in anything concerning the General Staff intelligence branch. Between the Minister of Defense and the chief of Aman there is another link of oversight—the chief of staff. Any significant action requires prior approvals. There is not, for example, a simple border crossing without prior approval by the military and political level. The minister of defense approves appointments of major generals and also of the main assistants of the chief of Aman. That is not the case with the other two organizations, unless it involves the assistant to the chief of the Mosad or the assistant to the chief of the Shabak. The appointment of the heads of branches, who are like major generals in the IDF, does not require approval of the prime minister.

The impression is that there are no problems also regarding the control and oversight over the Shabak. Since the affair of the bus on Line 300, the oversight over this organization is comprehensive. Aside from the Landau Committee, another committee, headed by Assistant State Attorney Rahel Suchar, carried out a thorough examination of the subject of the interrogations. It should be noted that the committee was appointed by the head of the Shabak himself and he took care to place at its head a legal personality from outside of the Shabak. And more: for the first time since the Shabak was founded, internal interrogations of Shabak members were transferred without opposition to the Ministry of Justice. The internal control in the Shabak is stern. The State Controller also conducted several thorough examinations there. Aside from those, there is a



ministerial committee that examines regularly the recommendations of the Landau Committee and complaints of attorneys and prisoners.

In contrast to the Shabak and Aman, the Mosad is completely closed to audits. No comparison can be made between these entities of the depth of the internal audit. The question of oversight over the Mosad was always problematical. Iser Har'el complained about it in the past and believed that Eshkol had been misled. Moshe Dayan said to Golda Me'ir that control over the Mosad was weak. Similar criticism was voiced about Begin. There are those who say that there was never complete oversight over the Mosad, in the days of Rabin, as well, both regarding the budget items and regarding the details of the operations plan. But this is not to hint that they are hiding important details from the prime minister or that there is a danger to democracy in Israel.

When oversight is not complete, mishaps are liable to occur, mainly when the responsible level is not sufficiently expert in intelligence matters, or when it is bothered with many tens of other important matters. The mishaps that are liable to occur are not precisely of the type of the Pollard affair.

In the case of Yitzhak Rabin, it is clear that he is very knowledgeable about intelligence matters, but he is a prime minister who has more than his share of concerns, perhaps more than his predecessors, for because of his dual roles he is responsible at one and the same time for Israel's three intelligence services—Aman, the Mosad, and the GSS—and it is doubtful that he has much time for oversight over the three intelligence services.

It is to be hoped that Maj. Gen. Vardi submitted in his report correct recommendations, which will be good also for a prime minister who is busy and less expert than Rabin in intelligence affairs.

#### Analysis of Coalition, Settler Conflict

93AA0125A Tel Aviv HA'ARETZ in Hebrew  
29 Jun 93 p B2

[Article by Nadav Shraguy: "Everything Is Legitimate, Up to Talk About Weapons"]

[Text] "Those who restrain the extreme settlers will be precisely their leaders and rabbis," an estimation made a few weeks ago by Professor Ehud Sprinzak, a researcher on internal Jewish political violence in Israel, "but this is on the condition that they will not be de-legitimized."

Sprinzak spoke on 31 May at a study day sponsored by the Jerusalem Institute for the Study of Israel, which dealt with the possibility of political violence on the eve of peace agreements. He expressed his opinion that "those who are going to pay the heaviest price must be given the fullest opportunity to persuade the people with their arguments, and it must also be promised that if the people will be convinced—the peace will be deferred. If there will not be peace at home, all the peace on the

outside is not worth anything." Sprinzak spoke about developing direct channels of communication with the settlers and recommended elections or a plebescite before the decision.

And, indeed, the demand not to be satisfied with the coalition majority in the Knesset in order to ratify—or not to ratify—the arrangements with the Arab states and the Palestinians, before they are signed, is gaining support, not only among the right or the Jewish residents in the territories: only yesterday, Assistant Foreign Minister Yosi Beylin proposed that elections or a plebescite be held before the final signing of the peace agreements.

Minister Yosi Sarid preceded him with a similar suggestion, at the same study day in Jerusalem at the end of May. But in his presentation he also referred to the second issue raised by Sprinzak, and that is the legitimacy of the settlers' positions, their feelings and their pain, and their place in the behavior of the government. His words did not receive at that time the publicity that they deserved, and they are important precisely because of his aggressive stance in the past against the settlement in the territories:

"My friend Ehud Sprinzak," Sarid opened, "recommends to the decisionmakers a greater awareness of the deep split, and I think that he is very correct. The decision that is going to be made, and will, indeed, be made in the near future in my estimation, even when the reference is to the Golan Heights and even when the reference is to the West Bank and the Gaza Strip, is the most difficult decision—one generally says since the establishment of the State—and I say: the decision for the establishment of the State is nothing in comparison with this decision. This is a decision that causes a great crisis in the people and opens a great split."

[Box]

#### Jews in Ansar?

Beni Katzover, the head of the Samaria Regional Council, enumerated at the study day three levels of destruction in case of an evacuation: the destruction of the private dwelling, above that the destruction of the public structure, and above that—the ideological destruction, the collapse of an entire weltanschauung. "There is talk here about an evacuation," Katzover said, "but in fact it is an expulsion. They have taken all the concepts of the left and its positions in relation to the transfer of Arabs and understood how the Jewish public in Judea, Samaria, and Gaza relates to the matter, and when the subject is brothers, at that...In my estimate, there are 10 to 30 percent who in certain circumstances will take up arms. There is one big unknown—how will the public that I term popular react. A lot will be influenced by the effectiveness of the opposition of the other line, the believing line, the average line. I do not know if the state has coped with tens of thousands lying down wherever they see fit...horsemen will not help here. Even spraying water will not help. Also not removal one at a time. Maybe change the prisoners at Ansar with

Jews? It seems to me that the moment there are several thousand Jews in these detention facilities—this government will not hold up...."

"Ben Guryon was the one who wrote, that 'no Jew or Jewish entity has the right to concede the right of the Jewish people in the country, and it is not even the prerogative of the entire Jewish people.' Yitzhak Tabenkin, in a debate on the Partition Plan, said that he had to consult with two individuals before he agreed to anything, with his grandfather, who was already dead, and with his nephew, who had not yet been born."

Prof. Menahem Brinker, a man of the left, the last of the speakers, answered Beny Katzover: "...a government represents the will of the people, and in the thinking of Beny Katzover there are limits to the will of the people, which are dictated by an undertaking to the Torah.... The anchor of Beny Katzover's political thinking is halakhic. He is among those observant Jews whose political position is dictated by the Halakha. In the eyes of Katzover, there must be limits to the will of the people."

"There are no limits to the will of the people. I try to convince the people that A is preferable to C, but if the people choose B, I will not say to them: you may not choose B, a power above you forbids you to choose it. In my thinking—such a thing does not exist. In your thinking, Beny Katzover, such a thing exists. That is the difference. The problem is not how the fundamentalist portion of Gush Emunim grasps the authority of the government, but their attitude to the will of the people.... "I do not rejoice at another's misfortune and most of us do not rejoice at another's misfortune.... I understand the distress that can be caused to someone who thinks theologically about history, that the people of Israel lost an opportunity to hold all of Eretz Israel. I understand this and I hope that perhaps history will one day give the opportunity to hold all of Eretz Israel, in peace and by agreement, but not at the price that was determined by the Six-Day War...." [end of box]

"Ben Guryon's decision at the time was daring. There were those who thought that it was not necessary to act at that time, but there was no concern that elements, certainly not organized elements...would mobilize force, that, say, they would take up arms, in order to oppose it. There is absolutely no comparison. Ehud Sprinzak says this with a degree of reservation, and I say this with a great degree of decisiveness, that this is perhaps the weightiest decision in the history of Zionism, and, therefore, the recommendation for greater awareness of the deep split is appropriate."

Sarid believes that "a government, any government, certainly a government on the other side of the barricade according to its views, must as far as is possible maintain open channels of communication with the other side," that is, the settlers and Gush Emunim. "This dialogue, ongoing, is not a panacea, but it is definitely a recommended prescription in such circumstances of tension and anxiety.... It is very important and can always serve

as an alternative to difficult circumstances that could develop. No government in Israel has other citizens. These, too, are its citizens, precisely as I would say, that those citizens have no other government, whether they like it or not."

"As one who opposed the establishing of settlements from the beginning, every one of them, in all of the areas...I do not at all wish to enter into the historical debate to what extent the settlement in these or other stages was legitimate. It does not interest me now and is also not relevant.... Precisely as one who opposed every one of the settlements, in principle, from the beginning, I now ignore the question of legitimacy.... And I am ready to say: because governments in the end gave approval to these settlements, whether in advance or after the fact, I am ready to recognize their legitimacy."

Sarid is also ready to identify with the pain of the settlers, "there will be great pain...the pain, according to the given situation, is proportionate with the size of the decision...I am not certain," says Sarid, "if all of my comrades understand, or already understand, the difference between opposition and coalition. Between opposition and government there is a difference of heaven and earth. I was, perhaps, the number one opponent of the settlers and the settlements, and I said horrible things about them, just as they said about me, but in the opposition we were the dog and we barked and now we are not the dog. Now we are the caravan, and when the caravan barks, aside from being laughable, it is truly dangerous. That is the caravan of stupidity...the government does not have, no government has, an interest in sharpening the debate. The government has no interest in rocking the boat, even when the sea is quiet, all the more so when the sea is stormy, and it is stormy, and it will become stormier. I think that the government, in such conditions, must even, when the subject is pain, demonstrate a degree of empathy. I am ready to demonstrate a degree of empathy for the pain and the sufferers.... Does this empathy come from my heart or not? It does not matter at all. I think that it is the right thing to do."

Sarid presents two formulas for what is forbidden and what is permissible, what is legitimate and what is illegitimate in the future struggle of the settlers to prevent evacuation: "In such circumstances, any talk is legitimate, even talk that really angers me. MK [member of Knesset] Hanan Porat said that he does not recognize the sovereignty of the Knesset to decide as it will decide. That is reprehensible in my view, invalid, harmful, but in these circumstances it is legitimate. If we start at so low a threshold, and on the basis of such talk we will want to impose sanctions, that would be a mistake of the first order.... There is only one kind of talk that is illegitimate from the viewpoint of the government, and that talk is a call to take arms and to fire.... All the other kinds of talk are definitely permissible, perhaps even desirable from a certain viewpoint...."

[box]

**'There Will Be a Great Battle Here'**

Sheila Gal, the head of the Gush 'Ezryon Regional Council: "Sarid's words are touching. He indeed said that it is not relevant whether the empathy that he demonstrates suddenly towards us stems from the heart or the head, but he demonstrates here etatist maturity. In any event, I hope that they will accept his proposal for elections, and I pray that the minority, whoever it will be, will accept the opinion of the majority."

Hagay Segel, a resident of 'Ofra, a journalist, the chief of the news desk of Channel 7: "The empathy does not come from the heart, but from tactical needs. Sarid has reached the conclusion that it will be easier to evacuate the settlers if they talk to them nicely, as Sprinzak recommends, but the settlers were not born yesterday and most of them will understand that in effect this is just the desire to evacuate them more elegantly and to make it easier for the government to execute it. In any event, it will not help. There will be a very big battle here, which will doubtlessly end in bloodshed, even if the use of firearms will not be initiated either by the settlers or by the government. I assume that the government knows that there will be bloodshed, and therefore it does not dream of evacuating settlements in Judaea and Samaria, as was indeed said recently by Shimon Peres and Yosi Beylin, so that the subject is only theoretical."

Shay Bazak, spokesman for the Council of Judaea, Samaria, and Gaza: "Yosi Sarid is smart, and no one denies that. Sometimes too smart. It is impossible to hide by means of nice words a subject that is so much a matter of principle as the legitimacy of a struggle. Beyond all of the words hides a slick fraud. According to Sarid, there will be elections after the initialing of the agreement. Such advice will not help but only harm and sharpen the difficult feeling. Rabin and his government, with the aid of copywriters such as 'Arafat and Asad, will stand together in front of the Jewish people in order to explain to it that the alternatives are war or peace. Rabin and 'Arafat will threaten people here with a war, if the treaty is not ratified by a plebescite or by elections, so that the bottom line in what Sarid says is not to the point. However, it can be said to Sarid's credit that this time the subject is not cheap demagogy, but legitimate demagogy, and there is no doubt that such things can contribute to preventing a confrontation between brothers." [end of box]

"Even when the subject is an act, the things are very similar. Everything is permissible...including expressions of force, everything besides actions that place Jewish and Arab lives in danger. In other words—to fire, or something equivalent. The struggle that will be waged following these future decisions will not be a deluxe struggle. There will not be a deluxe evacuation...there is no choice in these circumstances. This is the correct thing to do—to draw the line of tolerance to the very limit.

Sarid accepts Sprinzak's recommendation to go to the people. He is completely confident that "there is complete legitimacy for the government to sign agreements.... Begin loved to stress that a majority of one is a majority of the entire world, and that is my approach.... Nevertheless, I recommend that when the agreement is signed, by initialing, its final ratification will be brought before the people.... I am certain that this will enhance the legitimacy of the agreement, will defeat the right, and will bring a stable peace.... When the peace package is wrapped up and, along with the concessions, will be stressed and emphasized and made concrete...the side of the big, the practical, advantages of the peace, I am certain that the scales will be tipped so much on the side of the peace that the government would have to be absolutely devoid of sense not to go to elections and receive a larger majority than it has now."

**Challenges for Olmert in Jerusalem Mayoral**

93AA0125E Tel Aviv HA'ARETZ in Hebrew  
1 Jul 93 p B1

[Article by Nadav Shragay: "Find the Differences"]

[Text] Now, while Teddy Kolek's "One Jerusalem" is licking its wounds, only a short time after the withdrawal of Nahman Shay and a few minutes before the outbreak of the big battle there between Kolek and the Labor Party over the composition of the list, the time has come for a peek also at "the act of composing" in the Olmert camp, which is striving for a political upset also in Jerusalem, for the first time in 28 years.

In the municipal elections that were held in 1988, the Likud fell in Jerusalem to its electoral nadir of all time—it won only four seats—and the achievements of the members of the faction were worse: the four persons who were elected acted in fact as four one-man factions.

Yosi Alboym came across as a reinforcing player for Teddy Kolek, and some of the speeches that he made could have served the propagandists of "One Jerusalem." Shmu'el Pressburger, the Likud candidate for mayor for the previous term, was pushed out from every position of influence by his comrades and left the Likud a few months ago. Morris Rejwan, a pale reflection of what he once was, was almost not felt in the council, and only Elisha Peleg 'Abed invested and contributed as a positive and constructive opposition to the Authority for the Development of Jerusalem and in handling the Sanitation portfolio—as if he were an assistant mayor on salary.

On the background of the catastrophe in the outgoing council, it was natural the Ehud Olmert would attempt to include in his list for the next council as many figures as possible who had something, to offer beyond identification and/or loyalty and/or affiliation to this boss or that camp; figures who draw their strength from broader circles than the branch council, a workers' committee, or this or that other political power base.



Olmert may still be keeping his rabbits in his hat, but from what is now known, he is trapped in a series of obligations to whoever helped him win in the primaries. Yig'al 'Amdi, the former branch secretary, will be put on the list, as well as Nati Raz and Moshe (Chico) Cohen, the chairman of the Bezeq workers' committee, both of them men of Yehoshu'a Matz'a, the strong man of the branch. If that is the lineup that Olmert seeks to present against "the hive" of Teddy Kolek, then it is a waste of money, effort, and time.

Kolek is presenting to the public a lineup—'Amos Mar-Hayyim, Meron Benevisti, the author Eli 'Amir (not yet closed), and Avraham Kehila—who appear as persons of weight, background, and a substance that go beyond this or that party power base. Olmert has not yet presented such figures to the public, and Meshulam 'Amit, who flirted with him for several months, actually preferred in the end to run at the head of Tzomet.

Therefore, Olmert will be judged by his success in bringing persons with broader public support than party support into the top of his list. Up to now, there has been mention of the names of Professor Shmu'el Pinhas, the director-general of Hadassah, Re'uven Rivlin, who lost to Olmert in the primaries, and Hayyim 'Amar, the adviser on the neighborhoods to former Prime Minister Yitzhak Shamir.

Olmert has another problem. Not a few persons in this city received the impression that meanwhile they are dealing with yet another Kolek admirer, who bewails his age, his fatigue, his weakness, and his decision to run again. For what is Olmert actually saying? He repeatedly praises the Teddy Kolek of yore, albeit reserved praises, but praises.

He does not attack Kolek directly, due to the estimation that the public would not like that, and meanwhile he at least also does not sharpen the ideological differences between the two; and maybe there are none whatsoever?

The thing is especially striking in everything that is connected with the status of Jerusalem in the peace process and the issue of Jewish settlement in areas of dense Arab population in East Jerusalem. Both Kolek and Olmert will compete in this election campaign with declarations of commitment to Jerusalem, and each of them will promise to preserve its status as a sovereign capital better than the other.

Both Olmert and Kolek already say today that the Jews have the right to settle everywhere in Jerusalem. Both of them say that the individual Jew has the right to purchase property and land in Jerusalem from the individual Arab, and nothing can be done against this. Both of them also have reservations to this or that degree about government initiative in such transactions: Kolek sharply, Olmert moderately.

Both of them oppose provocations, or actions that would lead to friction between Jews and Arabs. Olmert indeed

finds in Kolek's statements on this matter "a weakness in the Jewish roots," but that is a difference of nuance and not of substance.

Despite the similarity in the positions, Olmert's choice of words on this matter sound as if they were meant to please a public with contradictory positions: both Kolek's voters, who seek to preserve what is called "the delicate fabric of relations" or what is left of it in Jerusalem, and also the voters of the Likud, who welcomed enthusiastically Ariel Sharon's partial settling in the Muslim quarter.

While Kolek speaks clearly against Jewish settlement in the heart of areas that are thickly populated by Arabs, Olmert has not told the public whether he would oppose or support settlement actions a la Silwan, the Muslim quarter, and the Christian quarter. Olmert says that he intends to attack Kolek from the left precisely on the scanty investments in the Arab sector.

He talks about the failures in education and transportation, and says that he, in contrast to Kolek, would manage the city and not serve only as its president. But at least at this stage, four months before the elections, the main difference that the public perceives between the two main rivals for the mayoralty is age (in Olmert's favor) and experience (in Kolek's favor).

If Olmert wants to convince the public that he is preferable to Kolek, he will have to sharpen the differences on a series of central topics that are on the city's agenda, or admit that there are not any.

#### **Further Reduction in RAFA'EL Work Force Reported**

93AA0127B Tel Aviv YEDI'OT AHARONOT (Financial Supplement) in Hebrew 6 Jul 93 p 10

[Article by Arye Egozi]

[Text] Brigadier General (Res.) Yitzhak Gat has a special and unique advantage as the new CEO of RAFA'EL, the arms development authority. He can tell a potential customer, "This missile and its system work in an unusual way. I've tested them myself in combat, and here I am. I survived." Gat, a former Air Force combat pilot, used many of RAFA'EL's weapons systems to shoot down enemy planes. He was appointed CEO last December at the height of the gravest crisis ever to strike the nation's defense industry.

After completing his pilot's course in 1967, Gat flew most of the Air Force's fighter planes. In 1982, he took command of an F-16 squadron and, in that capacity, twice fired RAFA'EL's Python air-to-air missiles at Syrian planes. Both times, the planes became a shower of scrap metal.

The combination of combat experience and a knowledge of aeronautical engineering gives Gat a very special perspective on the problems facing RAFA'EL. Gat must

guide RAFA'EL, which is still pivotal to the Defense Ministry, through stormy waves tossing the entire defense industry. Although he played no part in the decision to convert RAFA'EL into a manufacturing concern, he must contend with the situation as it is, in which the central laboratory for developing weapons systems producing some of its developments as well. This duality, and RAFA'EL's total dependence on the Ministry of Defense, present an almost impossible situation for a world manufacturer of weapons systems in 1993.

"RAFA'EL must concentrate its efforts in three main areas: continuing development of advanced weapons systems, producing these weapons systems as a new commercial manufacturer, and expanding its efforts to find civilian uses for the technologies originally developed for military buyers. This process can be completed within two years," says RAFA'EL's CEO.

Although RAFA'EL was manufacturing weapons as far back as 1965, it is not free to export all its products. This restriction adds to RAFA'EL's difficulties, but Gat accepts the limitation. "There's justification for the policy of restricting exports of weapons systems that we develop. We develop arms capable of determining the results of any future war. In that situation, there are weapons systems that cannot be made available for foreign use."

Despite the restrictions, RAFA'EL owns a number of impressive achievements. The American Air Force has already bought \$200 million worth of Popeye air-to-ground missiles and intends to buy to spend as much on additional missiles.

Exports of Python air-to-air missiles are enmeshed in problems no less thorny. The Air Force wanted the missile for itself alone, and considerable effort was invested in obtaining its agreement to approve sales to foreign air forces.

"Exports of full systems are becoming more and more difficult, even impossible. Nations insist that every sale include transfers of technologies. We accept this approach and are willing to work accordingly," says Gat.

RAFA'EL's annual sales amount to approximately \$400 million. Sales of this magnitude certainly require a further reduced work force. Indeed, on 1 July, RAFA'EL signed agreements with its worker committees on a voluntary retirement plan on preferential terms. It is estimated that about 150 employees will take advantage of the new program to retire. If retirements do occur on that scale, RAFA'EL's management believes that no further cutbacks in manpower will be necessary.

According to Gat, RAFA'EL's main task in the next few years will be development of more precise weapons whose operation will depend less on human action.

The American journal DEFENSE NEWS recently reported that RAFA'EL, in partnership with an American concern specializing in ballistic missile defense, is developing a weapons system that will provide one solution to the problem of ground-to-ground missiles by detecting and destroying them in the launch and lift-off stage. RAFA'EL's CEO is unwilling, of course, to discuss specific development programs. All he will say is, "We are constantly engaged in finding solutions to various problems. That, to be exact, is our job."

Despite the debate over RAFA'EL's character, it clearly is still the main producer of weapons systems capable of determining the result of any future war—if and when it should break out.

#### Dominance of RPV Market Discussed

93AA0129A Tel Aviv BAMAHA in Hebrew  
16 Jun 93 pp 28-30

[Unattributed article]

[Text] During the war of attrition in late 1968, Major Shabta'i Bril, then a young intelligence officer, was invited to a festive party given by the IDF's [Israel Defense Forces] senior command. The reason for the party was the success of Air Force intelligence in photographing an Egyptian bridge across the Suez Canal for the first time since the end of the Six-Day War. All present clinked glasses and toasted the success. Only Bril, as he circulated among the guests, was troubled and deep in thought. The quality of the photos was poor, and Bril knew how difficult and dangerous it was to obtain them. He searched his mind for an easier way to snap pictures of enemy territory.

He was still thinking about it when he drove home. "To this day," Bril says of himself, "my best ideas come to me while I'm driving. So I pull over, write them down in a notebook and then hit the road again." As Bril drove that night, the answer, which at first glance seemed too simple and childish to be realistic, suddenly popped into his head. Once again, he put on the brakes, pulled out his notebook and scribbled: model plane. "I thought, if you take this toy, put a camera on it and send it over enemy lines, it can bring back first-rate pictures, and without risking anyone's life," says Bril.

And so, almost by accident, Bril invented the first pilotless plane in the world. The RPV, a remote pilotless vehicle, looks like a large model plane made of sheets of iron and plastic parts. It is used mainly to supply front-line intelligence in real-time by means of a television camera attached to the fuselage. Israel is now considered the world's number-one RPV power. More than 1,000 of Israel Aircraft Industry's [IAI] 16,000 employees are involved in manufacturing it. Some 10 percent of IAI's consignments are related to RPVs, and its share of the work is growing and growing.

Israeli RPVs are reaping astonishing success around the world today. In an interview in MA'ARIV's supplement

two weeks ago, Dr. David Harari, who directs the Malat factory (where RPVs are built for IAI), estimated that Israel produces no less than 95 percent of all RPVs built for the world's armies. Harari was unwilling to provide a full list of the armies that have bought Israeli pilotless planes. "We're in first place in the world when it comes to RPVs," said Harari in the interview. "And we're so far ahead, we have no idea who's in second."

Bril knew that to promote the idea and put it into effect, the concept alone would not be enough. He would have to push hard for it. Not for a moment did it cross his mind that convincing senior officers that the idea was serious would be easy. Experience had taught him that ideas of that type usually were politely turned away. Even so, Bril sought out and found Lt. Col. 'Ezra Bevan, commander of an Air Force squadron whose hobby was flying model planes. "I asked him to show me how a model plane works, and then I sat with him and peppered him with questions. When I returned home, I drafted my first plan and presented it the next day to the late Col. Avraham Arnan, who was chief of Military Intelligence's collection branch."

As expected, Arnan initially ridiculed the proposal and considered the model plane a childish solution to a grave problem. Bril, on the other hand, knew even then that the model plane was destined for greatness, and convinced Arnan to study the idea. Some days later, Arnan, accompanied by some of his staff, went to Dov Field to observe operation of the model plane. "When the demonstration was over," relates Bril, "my visitors were still skeptical about the plane's ability to perform combat missions. They still didn't believe that a simple toy could solve in a flash one of the toughest problems they faced at the time. Despite that, I got a budget of \$850 to buy three model planes and five engines from the United States."

The American equipment arrived early in 1969. Bril discovered the late Shlomo Bevan, a Gadna air corps man who was absolutely nuts about the idea, and began working with him on an improved model. "At first, we held the camera to the plane's fuselage with rubber bands," says Bril. "But then we saw that this was affecting its aerodynamics, so we cut a door in the fuselage and dropped the camera into it. We ran dozens of trial flights, taking pictures of a large swathe of Petah Tiqva's orange groves."

[BAMAHANE] Did you also take pictures of the work done in the groves?

[Bril] I can't remember. But the pictures were bright and clear.

The principle behind operation of the improved model planes was as simple as could be. The typical model plane enthusiast uses three of the plane's four connections for receiving signals from the ground transmitter. One is for elevation, the second for stabilization, and the third for the engine. The fourth control usually was left unused; Bril and his partner used it for to operate the

camera. In the first experiments, the model plane attained a flying range of 2 km from the controller. By the end of the trials, the range had grown to 5 km. With that, construction of the RPV's prototype ended and all that remained then was to try it out against missile batteries.

For that purpose, the forebear of today's RPVs was sent for its first test against IDF anti-aircraft missiles. Despite the jeers of the battery's crew, who called it a "stupid toy," the model plane came through without a single hit. "They fired like madmen but never hit the drone, even at a distance of just 100 meters," recalls Bril. "And the photos it brought back that day were fantastic. You could even see the tiniest details, such as the soldiers' cigarette packs, for instance."

It was already apparent that the model plane would be sent on a photo mission over Ismailiya. In 1969, Bril and some intelligence officers arrived at one of the border outposts. "It was very hard, but we found an intact strip of road 50 meters long and launched the plane. It hovered over the batteries for a few minutes while its camera took pictures every couple of seconds. The Egyptians didn't shoot at the plane; in fact, they didn't even notice it. When we brought it back, we had 50 amazingly sharp, clear photos. For the first time, we had been able, without the slightest effort, to see what was happening across the Canal, and that without any risk and at minimal cost."

But even after the plane had proved itself, Bril had not yet seen the last of his trials and tribulations. Naturally, he went first to the Air Force, but still met arrogance and ridicule. "They said that they already had a pilotless plane, although it was clumsy and very expensive, and couldn't be bothered with this. As a result, the Intelligence Branch took on the development of the RPV. I resigned my intelligence commission, because the work had become technical at that point. It turned out later that the research team they set up made serious mistakes."

[BAMAHANE] What mistakes?

[Bril] Instead of continuing with development of small planes, as they should have, they began designing a self-flying plane, something large and ideal, and they made it complicated. That's why, when the Yom Kipur War broke out, the IDF couldn't even use my barebones plane as an intelligence tool because it wasn't in service.

[BAMAHANE] In other words, if the model had been in service, the war wouldn't have caught the IDF by surprise.

[Bril] I'm sure of that. If the basic model had brought back clear pictures of the preparations that had been made across the Canal on the eve of the war, the surprise the IDF suffered would have been avoided.

The development team's failure resulted in transfer of the RPV project to Tadiran, which began working on it



at top speed. But it was only in 1975, seven years after Bril had conceived the idea, that Tadiran presented its first working model, known as the Soreq. The first Soreq weighed 170 kg and could fly for four hours. Its principal mission was photographing enemy positions, but the photos it brought back needed two to three hours for development—precious time that could prove decisive on the battlefield. The goal was still to obtain intelligence in real-time. Mythology now has it that the improved Soreq, which came out in 1979, even then had a \$600 Sony video camera, which was then considered a revolutionary innovation, and turned Israel into the world's leader in RPVs, a title it still holds.

Only after the improved Soreq came out did the Air Force realize that it had erred in scorning the idea for an RPV. Instead of collaborating with Tadiran, however, it launched a typical Jews' war, assigning IAI to develop its own RPV. Thus, in 1980, a year after the improved Soreq went on the market, IAI offered its RPV, the Zahavan, for sale. Its features were astonishingly identical to those of the Soreq. The war in Lebanon, which erupted two years later, finally proved the distinct benefits of the RPV and its phenomenal ability to take advantage of them. The RPV supplied commanders with immediate intelligence, helped artillery identify targets and deliver accurate strikes, and took photos of what was happening in terrorist command posts. Veterans of the war still remember how a Syrian division once escaped detection on the ground, and only an RPV finally spotted it crossing the Syrian-Lebanese border. Another story: When the PLO leadership was expelled from Beirut at the end of 1982, the entire course of the evacuation was photographed by an RPV. Yasir 'Arafat could be seen standing on the pier. "If we had wanted to wipe them out then," Bril contends, "we could have done it without any trouble."

When the war in Lebanon ended, the Jews' war between IAI and Tadiran continued in the quest for world markets. It took two years before the companies decided to establish a joint venture, Mazlat [RPV], directed by Tzvi Schiller. The company will produce the Pioneer, which is a more advanced version of the Zahavan and has been sold to the Americans since 1985. The idea is the same, but the quality has been improved. In other words, the new RPVs have a much greater flying range and can stay in the air longer, their cameras can focus from higher up and so on. The Pioneer, incidentally, did yeoman's service for the Americans during the Gulf war. The American fleet used it to locate underwater mines and identify targets for bombardment, while naval commando teams were aided by it in intelligence missions. There were even instances in which Iraqi troops, on catching sight of an RPV, approached it with their hands raised to surrender.

Some years later, in the wake of friction between the parent corporations, Malat was disbanded. Today, the RPV is produced by IAI's Malat company. No one will find historical justice in this story. The war in Lebanon, however, led to the uniting of everything related to

military RPV units. After the war, a video detachment was formed that now coordinates all the units engaged in ground and air-borne photography. There are RPV units in both the Intelligence Corps and the Air Force, all of which operate according to the needs of each service. Major "S" is commander of an RPV unit assigned to the Intelligence Corps. He says that his unit will soon receive the Searcher RPV to replace the Soreq, which went out of service two years ago.

[BAMAHANE] What are the advantages of the Searcher?

["S"] It can fly much longer, its range is much greater, and its much faster. In a word, a much better RPV.

[BAMAHANE] Will the crews need retraining?

["S"] Yes, but only a little. Don't forget that when they come here, they go through a six month RPV-operators course. It isn't as simple as it used to be. You need to reach a high level of technical proficiency.

The Israeli RPV is now regarded as the best of its type in the world. This position was reinforced some months ago, after the Hunter RPV, the newest made by Mazlat, won the United States Army contract over the Sky Owl RPV, which is manufactured by McDonnell Douglas. That was no easy job. Testing lasted three nerve-racking years. The RPV, for example, had to prove its capabilities in conditions of 45 degrees Celsius during the day and 20 degrees Celsius below zero at night. The most pleasant moments for the Malat representatives, which had them shouting for joy, came when they watched the McDonnell Douglas RPV crash on the ground more than once. Malat won a tender worth \$200 million and solidified its position as the best RPV manufacturer in the world.

In years to come, Harari stated in the MA'ARIV interview, the RPV will also have civilian uses, such as observing road traffic, detecting illegal immigrants breaking through border fences, and spotting forest fires. Even now, Malat is developing an RPV to help pinpoint radiation leaks. It is also planning to offer a communications RPV to CNN. In short, it will be interesting. It should be worth following events, and all the best to the RPV.

#### Outlook for 1994 Budget Reported

93AA0127D Tel Aviv YEDI'OT AHARONOT (Financial Supplement) in Hebrew 14 Jul 93 p 3

[Article by Nahma Do'aq]

[Text] The 1994 national budget will amount to 92.7 billion shekels. The budget is stated in 1993 prices and will be presented for government ratification during Sunday's weekly cabinet session. The proposal includes a deficit of 6 billion shekels, which constitutes 3 percent of the budget.

At its next weekly meeting, the government will also take up the deficit for 1994. Finance Minister Avraham Shohat will present a proposal acceptable to the Bank of Israel and the prime minister fixing the deficit at 3 percent of the gross national product without providing credit. Shohat will ask the government to approve an amendment to the deficit reduction law, which provides that the 1994 deficit must be only 2.2 percent of the gross domestic product.

The Finance Minister conferred yesterday with Prime Minister Yitzhak Rabin. They nailed down the final details of the proposal following their meeting last night with the president of the Bank of Israel and his staff. The Finance Minister informed Rabin that projected state revenues for 1994 will amount to 86.4 billion shekels in 1993 prices. That leaves a deficit of 5.3 billion shekels. The Treasury reports that its proposal is consistent with the trend towards reducing the budget and the goals that the nation has set for itself in growth and higher employment.

It has been reported that during the meeting between the Treasury, the prime minister and the Bank of Israel, the Treasury's budget division chiefs stated that nearly all budget funds are earmarked for specific objectives chosen according to the order of priorities and decisions made by the government last year. There are also reports that a little money is left over for minor changes to be introduced into the budget. Likewise, it was made clear that the wage supplement promised to teachers was taken into account in framing the budget, along with the wage supplements that the Treasury is willing to grant civil servants—3 percent, which is supposed to maintain real income levels. If the Treasury agrees to these wage supplement demands, it will have to find other budget funds to meet them.

The Treasury reported yesterday that it hopes that the ministers will accept its proposal, which conforms to government decisions made during the year to promote growth and create more jobs, and refrain from requesting bigger budgets that will magnify the deficit and risk an outbreak of inflation.

Even though it was a partner to the discussions, the Bank of Israel yesterday expressed concern over a larger deficit. Senior central bank officials said that they have sensed signs of slackness in the economy and feel that the hand that has kept a tight rein on the budget and expenses has eased its grip. "There is a feeling that the public believes that the situation has improved somewhat, so that it is now possible to begin relaxing discipline. Evidence of that are the wage demands made on behalf of civil servants by the Histadrut," said one central bank official.

It is important to the Bank of Israel, according to reports, that if deficits do increase, the additional spending should go towards growth in the economy and, among other things, investment in infrastructure and a permanent reduction in taxes. It was further reported that the

Bank of Israel intends to present the government a proposal for cuts in certain areas of government activity if the ministers request additional spending, which is liable to worsen the deficit.

#### Government Financial Status Compared to G-7 Members

93AA0127C Tel Aviv YEDI'OT AHARONOT (Financial Supplement) in Hebrew 14 Jul 93 p 2

[Article by Sever Plotzker]

[Text] Like the coat of a black bear deep in a white desert, these hot July days are the setting for a serious (and not so serious) debate over the national budget. The question: whether to cut or boost the deficit, and to what extent. Before the discussion ends at next Sunday's cabinet meeting, here is my indirect contribution to the deliberations.

I begin with a fairy tale.

The members of the seven big industrial countries (G-7)—the United States, Japan, Germany, Britain, France, Canada, and Italy—gathered last week in Tokyo. Suppose U.S. President Bill Clinton had risen at the close of the summit to offer the following idea: "For the next summit in Naples in July 1994, let us also invite smaller nations, but on one condition. Only countries whose governments have practiced and are practicing sound budgetary policies will be invited. We'll give them a prize."

And what is sound budgetary policy, the summit's other participants immediately asked, for whom the thought of rubbing shoulders next year in Naples with dozens of heads of state from around the world sent a shiver down their spines.

Replied Clinton, sounding the trumpet, "Let us establish three strict criteria:

"We'll invite only those nations whose national domestic debt, in relation to domestic product, does not exceed the average of our G-7; second, we'll invite only nations whose national budget deficit, in relation to domestic product, is much lower than the debts of our seven states; third, we'll invite only those nations where the government, to raise money from the public, must pay real interest rates significantly lower than our seven governments pay our own citizens. And fourth, we'll insist on satisfaction of all three of these conditions.

"Fair enough?" Clinton asked the other chiefs of state. Fair enough, Chancellor Kohl replied on their behalf.

And now, as we examine these stringent criteria, let us ask, would Israel have a chance of being invited to the Naples summit if this had really happened?

The answer: Yes, and how! As a guest of honor.

The Israeli government's financial situation is much better than that of the G-7 as a whole. Behold this wonder, people of Israel: the budget practices of Israel's public sector since 1986 have elevated us to a new international league. They have made us a model to be emulated.

1. Between the years 1985 and 1994, the Israeli government's domestic debt owed to its citizens declined from about 123 percent of the gross domestic product [GDP]—that is, from 123 percent of the total value of goods and services produced in the country—to about 67 percent of the annual national product. During the same period, the debt-to-product ratio of the G-7 rose from 55 percent of gross national product [GNP] to 68 percent. Next year, too, the Israeli Government's balance will be better than that of the G-7 (see table).

2. The Western governments are mired in debt because of budget deficits that they finance sales of bonds at high rates of real interest. In 1992, the G-7 states had a public sector deficit (negative savings) on the order of about 4 percent of their domestic national product. The public sector in Israel during the same period had a net overall deficit last year of about 2.4 percent of GNP. But what is even more important, the Israeli public sector last year had a positive savings rate of about 0.5 percent of domestic product. In other words, applying the yardstick used by international economic institutions, the Israeli Government has had and now has positive savings. The G-7 have a heavy deficit.

Israel (1): Net savings of the public sector (government, agencies, municipalities) on the basis of international standards.

Israel (2): The total budget deficit, on the basis of definitions set by the budget law.

The Israeli Government's limited budgetary needs enable it to raise capital from citizens at very low rates of real interest. The annual rate of interest paid on government bonds in Israel on average over the past two years has been about 3.0 percent. The real annual interest paid by the G-7 during the same period was about 6.0 percent.

To be specific, real annual rates of interest on long-term government bonds since the start of the 1990's are 7.0 percent for Canada, 6.5 percent in France, 6.0 percent in the United States, 5.5 percent in Britain, and 5.0 percent in Italy, Japan, and Germany. Why are interest rates there so high? First of all, because of their huge deficits. Financing overpayments is always expensive. The last semiannual report published in June by the Organization for Economic Cooperation and Development (the forecast of the OECD, from which I have drawn these data) provides another reason—these governments have not learned to issue linked bonds, as the Israeli Government always has, so they are forced to pay their citizens a sort of insurance policy against renewed inflation in the form of very high initial interest rates.

Bill Clinton, of course, will not propose any criteria for expanding membership in the summit club; it was enough that the president of Russia was invited as a permanent guest. Israel, to be sure, does not dream that it is a superpower. But the comparison I have made here with the budgetary situations of the G-7 countries taking part in the Tokyo summit can teach us something. Something simple: Israel in 1993 is not the Israel of 1985. We have traveled a long road to budgetary health and have arrived at an envious budget situation, even according to accepted international measures. It would be great pity now to backslide.

That's worth remembering when we deliberate on the state budget for next year, its scope and its deficit.

**Public Sector Deficit (Negative Savings) in the G-7 and Israel, as a Percentage of GDP 1992**

United States	-4.0%
Japan	0.0%
Germany	-4.0%
France	-3.7%
Italy	-9.5%
Britain	-8.3%
Canada	-5.8%
Israel(1)	+0.7%
Israel(2)	-2.4%

**LEBANON**

**Training of Youths in Hizballah Discussed**

93AA0136A Tel Aviv YEDIO'T AHARONOT (Weekend Supplement) in Hebrew 16 Jul 93 pp 13, 20

[Article by Smadar Peri: "Hizballah: How a Terrorist Is Born"]

[Text] Under cover of darkness, with backpacks or quickly packed nylon bags, tens of Hizballah fighters fled northward, across the security zone in southern Lebanon. Since Sunday, when a team of American officials left for a shuttle tour of the area and Lebanon was deliberately removed from its itinerary, fear of an IDF [Israel Defense Forces] retaliatory action has grown. The commanders in the field did not have to instruct their fighters to get out. Every time IDF soldiers are killed, Hizballah headquarters know that the IDF is preparing a strike.

They will come back in a week or two. After the tense quiet in southern Lebanon returns to normal, it will again be possible to make out groups of people in camouflage fatigues with the green ribbon on their forehead. Some of them, it is important to point out, prefer to hide their true identity under the Lebanese army uniform. That way everyone is happy.



We are talking about a few hundred fighters in all in the southern area, and scattered tens of field commanders. But in some quarters among us they are treated not simply as a troublesome headache that comes and goes, but as "quality fighters."

To this day the Hizballah fighters do not recognize Lebanon as a sovereign state. These young people were raised at the knees of the philosophy concocted for them in Tehran that says it is their duty as Lebanese citizens to prepare a state "for the sake of equal justice," in the Khomeini style—and they therefore have to expel the "Satan" and his allies.

Until then, they come to the "Hawza," the precincts adjacent to the mosque, and, after prayer, close themselves in for a discussion with the Imam or the Shaykh, analyze the latest headlines, and receive their salaries and supplies. In Israeli terms the "Hawza" fulfills the function of a "yard," and the mosque serves as a kind of regular induction camp. The mosque is not only a spiritual crossroads: Here they can hide weapons, medicine, and operational plans prepared in Beirut or Tehran.

From a young age, Shiite youth in Lebanon are exposed to religious activity. Hizballah [the party of God], which over the last decade has taken the place of the Shiite Amal movement, took pains to set up—with generous financing from Tehran—programs for those of tender age. The "Mahdi's Qashafit," the Shiite version of the scouting movement's "young deer," takes in ages six to ten.

Afterward they move on to the "Murahiqun," the adolescents. Here they are exposed to physical training under the camouflage of sports education, and gradually lose their ideological virginity: The United States is portrayed as the "great Satan" and Israel as the "little Satan," a foreign and despised offshoot. When the imams in the mosques daily preach excited sermons against heretics and against the Zionist conquest in the south, no special effort need be invested in teaching hatred of Israel.

The official call-up to Hizballah begins at the end of adolescence. The call-up team, which comes from Beirut especially for that purpose, will never force youngsters into the organization's ranks. It is absolutely permitted for any of the candidates to say "No." In point of fact, it quite frequently happens that the call-up team runs into groups of youths who plead: "We are Muslims, we believe in Husayn and in 'Ali (a reference to their Shiite ancestry)—take us into Hizballah."

In decided contrast to Palestinian youth, who were drafted in Lebanon into one of the rejectionist movements or into Fatah, underwent hasty training in the handling of explosives, and were then immediately sent to carry out strikes against Israel, the Hizballah is strict in its requirements. At headquarters they require new recruits to fulfill four conditions: They must be members

of the Shiite sect, they must be under 22 years of age, they must be literate, and they must have physical ability.

Within the training framework the recruits are called upon to do civilian guard duty in the southern villages. In the IDF they call this regular security—day and night patrols intended to protect the village inhabitants, with the advantage of close contact with the locals, allowing them to melt into the civilian population. In times of trouble they will find hiding places and food in the village houses; they will operate from within the villages and will leave their military equipment and terrorist materials there in advance of a planned operation.

Those found to have reached a higher personal level will be called to headquarters at the end of their training and asked to join the "regular army." At the first stage, after military training in the style of Training Base Four, they receive lessons in religion and are sent out to put up posters. A quick trip across the security zone will show you the poster war, in which Hizballah is beating Amal, which finally became part of the establishment with the appointment of its leader Nabih Beri as chairman of the Lebanese parliament in Beirut.

At an advanced stage, when the training is sophisticated and intensive, the Hizballah acquires the character of a secret organization, divided into cells, with high sensitivity to the presence of strangers. They teach the youngsters how to blend in out in the field, how to look routine, and how to avoid the intelligence services. They stress the advantages of avoiding paperwork. Within the framework of the cells, one individual will not know the mission of another and who was sent to operate against the IDF or against the SLA [South Lebanese Army] fighters.

In contrast to Fatah, for example, to this day there are no known incidents of corruption or fiscal irregularities in Hizballah—and that despite mountains of dollars that land directly into the organization's bank accounts in Damascus and Beirut. The Iranian ambassadors in place notify the secretary general of Hizballah, and he, within the framework of his administrative authority, allocates the funds.

The salary and social conditions that Hizballah offers at Tehran's expense are identical to those of soldiers in the Lebanese army. \$150-\$200 per month, depending on seniority, status and rank—a decent salary in Lebanese terms. In addition, the fighter will receive free education for his children in the schools established with Iranian financing, childbirth grants, welfare, and "borrowed equipment." The SLA fighters' salaries are permanently indexed to those of their mortal enemies. The main inducement in both camps is the medical treatment for the fighters and their families: A Lebanese civilian without such coverage has to pay a fortune out of pocket for a checkup or for hospitalization in a private clinic.

But it is not the salary that drives a Shiite youth into the ranks of Hizballah. The desire to establish a society

based on Islamic law in Lebanon, life in the shadow of a real foreign presence in the south, and a bloated propaganda system are what inspire the spirit of voluntarism and combativeness. The desire to work for the advancement of the master plan concocted in Tehran: to set up a state based on Islamic law in Lebanon that would fight the heretics and bring the masses to al-Quds, Jerusalem.

Once a year, in the spring, the Hizballah fighters hold an armed parade. The most recent military parade was held a few weeks ago, on Jerusalem Day. Two thousand of the organization's people went out into the streets of Baalbek and waved to the crowds from atop APCs, guns, and tanks, equipped with mortars and Sagger missiles. In the ceremony, those who fell in the holy, armed confrontation with Israel were remembered with bated breath. The fighters wore regular uniforms; the women trailed behind at the end of the procession, dressed in white shrouds, grieving, excited, stirring passions. Hizballah has allotted special places for women, but not in the "Shura," the Supreme Council.

This attempt at profiling the Hizballah fighter points, first and foremost, to high motivation for deeds of daring. This is an organization with a strict hierarchy, but those who excel can strive at a rather early age for its senior ranks. The Hizballah member will not argue with those who give him a suicide mission and send him out to accomplish it—from which he is not likely to return. That is how the strike against the American Marines' headquarters in Beirut was carried out, as well as the seizure of foreign embassies in Lebanon, the attempt to capture posts in southern Lebanon, and the strike against the Israeli embassy in Buenos Aires.

Those who have tried to investigate the phenomenon by availing themselves of the testimony of Hizballah survivors of suicide missions, have gotten only one sentence from them: "I got an instruction from the Shaykh and went forth on my mission."

Before every mission the senior commanders turn to the spiritual authority, the Shiite Imam, with a request to issue a "Fatwa," a special religious decree, justifying the act of suicide in advance. In their conception, the "Istishihad," the act of suicide, is to be carried out only in special circumstances and for a defined goal, the achievement of which will bring about significant change in Muslim life. Only after the Imam has been brought up to date on the details of the planned operation and authorized it with a "Fatwa" do the fighters set out on their course.

If they should be killed in a spectacular action, they will become anonymous soldiers. Their names will not be revealed. It would seem their handlers fear that exposure might reveal their tracks, as well, and lead to retaliatory actions. The Hizballah fighters are reared on the idea that their operations are intended to glorify the name of Islam, but, by no means, their own personal names.

The Hizballah suicide missions in the context of the struggle with the IDF fit in well with the Iranian program

to hurt the political process. As it is in Lebanon, so, too, in Egypt, with Tehran also responsible for financing the "Jama'at," the underground organizations striving to overthrow the regime of the "heretic" President Mubarak.

Hizballah, in striking contrast to other organizations in Lebanon, is the only one that has not been asked, to this day, to lay down its arms. The organization's arms road runs a fixed, well-defined course: from Tehran to Damascus and from there, under the protection of the Syrian army, to Beirut. The route continues south through the "Rahiiya," the city's southern suburbs, in which there is a concentration of Hizballah forces, and then on to the security zone.

The military equipment—including heavy equipment—easily passes through the checkpoints at roadblocks manned by soldiers of the "sovereign" Lebanese army, with local Syrian assistance. Either a senior officer in the Syrian army makes sure to bring the cargo through himself, or the drivers contrive in advance to acquire transit passes through to the south, which they get from Syrian forces' headquarters.

In Jerusalem there have been those who have more than once acquainted the Americans with the rules of this game. Were the Syrians, who are conducting negotiations with Israel in Washington, to want to stop the regular supply of arms and money to Hizballah, they could, with a wave of the hand, block the regular route from Tehran to southern Lebanon. But a wave of the Syrian hand might cost them in blood: The Hizballah fighters would not hesitate to go against them, as well, on suicide missions, and send a booby-trapped car loaded with bombs or side charges against a Syrian objective in Lebanon.

#### **Hizballah Deputy al-Burjawi: We Reject Negotiations**

93AA0140A London AL-HAWADITH in Arabic  
16 Jul 93 p 19

[Interview with Hizballah Deputy Muhammad al-Burjawi by Halah al-Husayni; place and date not given: "Deputy Muhammad al-Burjawi to AL-HAWADITH: We Are for Development of All of Lebanon, But Not at People's Expense"]

[Text] Deputy Muhammad al-Burjawi, who belongs to the Loyalty-to-the-Resistance Bloc, has declared that the bloc's approval of the law on developing the suburbs was given after the Chamber of Deputies speaker and the prime minister pledged not to set up a real estate [development] company in the southern suburb. While expressing his dissatisfaction with the performance of the Chamber's general committee, he has reaffirmed his bloc's position, which calls for withdrawing the Lebanese negotiating team from the negotiations.

**AL-HAWADITH** has had the following interview with Deputy al-Burjawi, who has reaffirmed his bloc's positions, asserting that they have not changed because, in his opinion, they emanate from the people's conscience:

[Al-Husayni] Now that the bill to develop the suburbs has been passed, how do you view this law, especially since no new amendments have been introduced to it?

[Al-Burjawi] In fact, I wish to clarify something first, namely that this bill is no longer a bill to develop the suburbs. The bill submitted originally by the government had a much lower price tag than the current bill. Everything connected with the southern suburb has been delayed and confused by the government. The government had sought to set up a real estate company for the southern suburb, that is, the area extending from Khaldah or al-Awza'i to the Sports City [al-Madinah al-Riyadiyah]. It sought to turn this area into a development area on the pretext of building tourist installations. What we in the Loyalty-to-the-Resistance Bloc did was to apply the main pressure to make it clear that we would not allow displacement of the people living in these areas. We also sought to make clear that we would not allow displacement of poor and dispossessed families that had been evicted as a result of the Israeli occupation and of the recurrent Israeli attacks since 1948 or because of the regime that oppressed the poor areas and, consequently, failed to apply the principle of balanced development in numerous areas. We are all aware that many people have emigrated from al-Biq'a' area to the southern suburb because of the difficult living and economic conditions in al-Biq'a'. The reason for this emigration was the absence of balanced development. In one way or another, the regime dictated what it wanted to the people, thus developing certain areas at the expense of other areas.

When the government and a large number of notables agreed not to set up a real estate development company, we agreed to this aspect of the bill. We are for the development of all of Lebanon, and we are for the construction of highways, but not in this manner. It saddles the Lebanese people and the Lebanese treasury with the heavy burden of hundreds of millions of dollars at a time when we must all prepare to confront the Israeli enemy and to equip ourselves in order to liberate our land and people in the occupied territories. This soil is dear to our hearts, and we must work, come up with the needed money, equip ourselves, draft bills, and pass laws in order to confront this enemy. We must develop all the requirements of steadfastness and give them to the people in the south and in al-Biq'a' al-Gharbi. The inverse is what has happened. What is happening is that we are burdening the Lebanese people and the Lebanese treasury with vast sums that neither the citizen nor the government will be able to repay, because of the worsening economy and the Israeli and U.S. pressure to prevent Lebanon from getting aid and from developing and gaining economic strength.

[Al-Husayni] What are the assurances you have gotten from the government or from the various officials for your approval?

[Al-Burjawi] We have actually gained through a recommendation in the Finance and Budget Committee. This recommendation has been included as part of the Finance and Budget Committee's files and minutes and we have submitted it to the prime minister. Moreover, colleague 'Ali 'Ammar queried the prime minister personally on this issue, and the latter responded that no real estate company will be set up in the southern suburb. Subsequently, we received a pledge from the Chamber of Deputies speaker that such a company will not be established. All these developments made us give our approval to the bill, especially since the prime minister has denied that there is a plan to set up a real estate company for the southern suburb. We believe that this pledge is good. However, we know that they [the government] cannot implement such a law as long as the people rally behind the Loyalty-to-the-Resistance Bloc and as long as we say that no interest is served by setting up a real estate company in those areas. We are for organizing the infrastructure in these poor areas in a manner that is compatible with the minimum needed for the citizen's life, such as housing befitting this country's people, of whom we are a part.

We consider this development reassuring in principle. But we have not committed ourselves or agreed to the entire bill. We agreed to this fundamental point in the law, with reservations on the future construction of highways. There are higher priorities than highways. We have also objected strongly to the question of borrowing against treasury bonds issued in dollars. We have rejected this point strongly because we do not wish to mortgage Lebanon to outside forces or to not know who buys these bonds or what may develop in the future. All these issues raise questions. At present, Lebanon cannot pay the mature debts it owes. This is why we are for gradual development.

[Al-Husayni] And you also reject soft loans?

[Al-Burjawi] We must consider each loan separately. We want to know who is the party that wants to loan to Lebanon or to the Lebanese Government and what the terms of the loan are. We must know how the government will utilize this or that loan and in what field it will utilize it.

[Al-Husayni] We understand from your words that you are not pleased with the performance of the Chamber of Deputies' General Council?

[Al-Burjawi] The performance is not as it should be, and we are totally dissatisfied with it. Let me cite an example: While considering the military service issue at a session of the joint committees, we agreed that those born as of 1 July 1974 would be required to serve. There were more than 60 deputies at the session and this agreement was reached by an overwhelming majority. But in the latest general session, we were surprised to hear the Chamber



of Deputies speaker voice his opinion loudly. Consequently, the opinion on which we had agreed at the joint committees' session was amended, and it was decided that those born as of 1 January 1973 would be required to serve. This decision contradicts the vote we had taken at the joint committees' session. But it is up to the deputy himself to learn how to maintain his position, whether inside or outside the committees. Abnormal and unordinary influences are exerted during voting at a general session.

[Al-Husayni] As Loyalty-to-the-Resistance Bloc, what is your role in confronting these influences about which you speak?

[Al-Burjawi] Through special relations with some deputies, we try to raise such issues, so that free positions that are not influenced by any pressure can develop and so that the deputy, who is elected by the people, will represent the people's conscience.

[Al-Husayni] Meaning that you don't see democracy in action within the assembly?

[Al-Burjawi] Like it or not, we cannot say at present that there is no democracy in the parliamentary assembly's action. I believe that a deputy must think a little before he votes on any bill and that he must not vote for any bill when his conscience tells him not to vote for it. We meet constantly with the parliamentary assembly speaker and we discuss with him some issues, but not all issues. We also meet with him in his capacity as Amal chairman. By virtue of our presence in Hizballah, numerous meetings are held between the speaker and the Hizballah secretary general. We discuss numerous issues at these meetings. As for our relations with the prime minister, we don't believe that he works as required and necessary to deal with the situation. Primarily, we disagree with him on the issue of negotiations with Israel. This is a fundamental disagreement. It is well known that we reject negotiation with the Israeli enemy who continues to occupy our land and who works daily to kill people and destroy peaceful areas of south Lebanon. We also disagree with the prime minister on many of the plans he is enacting.

I would like to add something here, namely that we believe that it is the duty of the deputy and of the speaker to belong to all Lebanese factions and people, not just to the area where he waged his election campaign. We hold the speaker above such provincialism. In my opinion, he belongs to the entire parliamentary assembly and to all the people.

[Al-Husayni] Now that the constitutional council law has been passed in accordance with the al-Ta'if accord, where does the issue of political sectarianism stand at present, in your opinion?

[Al-Burjawi] We work forcefully through special committees to examine this issue carefully so we can prepare for the opportunity to block any return to the hateful past. I demand that this opportunity be brought about

very soon and very promptly. Regrettably, what has happened in the circles of the so-called second republic is that numerous forces have effectively distanced themselves from this issue and no longer talk about it.

Progress has been made in connection with the constitutional council. We hope that we will act swiftly to nominate persons who are free of all subservience so they will be elected and will devote themselves primarily to serving the people. We hope for prompt action so that the supreme national interest will be served and the decision to abolish political sectarianism will be passed.

## MOROCCO

### Trade Minister Announces Media Campaign

93AF0670F London AL-HAYAH in Arabic 19 May 93  
p 11

[Interview of Hassan Abou Ayoub, Moroccan Trade Minister, by Walid al-Kurdi in London; date not given: "Losses From Limiting Exports to Europe Bigger Than Profits From Concessionary Loans"]

[Text] The Moroccan Minister of Trade, Foreign Investments & Tourism, Mr. Hassan Abou Ayoub, said in an interview with AL-HAYAH that Morocco is currently having difficulty exporting its products to the European Community [EEC] because of the agricultural policy of the EEC. That policy aims at protecting the member states' products, especially legumes, fruits, and citrus.

He added that Morocco has special agreements with the EEC within the framework of its policy in dealing with the Mediterranean countries. These agreements include concessionary loans. He added that the losses caused by the restrictions on Moroccan exports are much higher than Morocco's gains from these loans, a fact that prompted Morocco to negotiate an increase in its exports to the EEC instead of increasing the concessionary loans granted to it.

The Moroccan minister mentioned that the privatization currently taking place in Morocco, with the help of foreign capital, is due to the natural openness to Europe and to the economic links between Europe and Morocco. He also mentioned the special problems of Arab capital that limit it. On the other hand, the Moroccan capital is available, but it is directed towards private investment. Nevertheless, it is capable of absorbing a part of the privatization.

The statements of the minister to AL-HAYAH came after a press conference held yesterday in London. During these conferences, the minister said that the Gulf crisis was the major reason for considering the Moroccan policy on tourism. The crisis prompted Morocco to seriously consider how to diversify and develop Moroccan tourism to increase profits and to effectively utilize the Moroccan potential.

The minister added that the economic adjustment program Morocco has been conducting since the eighties has hindered any effective tourist media campaign in Europe due to lack of proper financing. He added that although such a campaign was started recently, it does not necessarily aim at attracting the tourist this year but rather to changing the general impression of Morocco and to attracting tourists gradually.

The media campaign that the minister started with his London press conference stresses the Moroccan culture and traditions more than just the attractiveness of the country as a sea resort. This is to avoid duplicating the campaigns of other countries such as Greece and Turkey, who emphasize, according to him, the beach resorts.

The Moroccan media campaign is to continue through September. It is to cover England and five other European countries at a cost of about 80 million French Franks.

**Economic Situation; Plan Urged To Avoid Crisis**  
93AF0718B Casablanca LA VIE ECONOMIQUE  
in French 2 Jul 93 pp 3-4

[Article by Fahd Yata: "The Crisis is Taking a Firm Hold; How Do We Get Out of It?"; first paragraph is LA VIE ECONOMIQUE introduction]

[Text] One week after the legislative elections held to choose the members of the Chamber of Representatives by direct suffrage, most of the news in the media still focus on the political results and consequences of the poll. Pending the election of the last one-third of Parliament through indirect suffrage and the formation of a new government—which is also the subject of numerous speculations—the official publication of Morocco's 1992 economic performance figures and 1993 projections emphasized rather pointedly the priorities of the moment which are undoubtedly economic and social!

At the 61st meeting of the Committee on Credit and the Financial Market, aggregate figures for 1992 were made public, as well as initial estimates and data for 1993; Messrs. Berrada, finance minister, and Mohamed Seqat, governor of Bank Al Maghrib, announced a series of measures designed to stimulate economic activity while meeting some of the most pressing demands of business. Small businesses, exporting companies, intermediate-term loans, and debtor interest rates were thus considered, as LA VIE ECONOMIQUE announced in an exclusive report last week. However, next to this will to revitalize the economy, which to a large extent depends on the concrete response of the banks and financial system, we should still note that the current situation is a most difficult one.

**Pessimism!**

The drought is here. It has gone on since the beginning of the 1991-92 agricultural campaign, and the last two years have therefore dealt heavy blows to the optimism of the

government, which expected a gross domestic product [GDP] growth rate of about +6 percent in 1992 whereas, as the finance minister announced today, it was negative (-2.9 percent). This poor performance was essentially due to the very bad results of the primary sector: grain production dropped by 67 percent compared with 1991 (28 million quintals instead of 86 million!); legumes by -66 percent; industrial crops by -8 percent; fisheries by -9 percent; and citrus fruits by -25 percent. Livestock farming and energy were the only two sectors to experience positive growth in 1992 (+3.7 percent and +9.3 percent, respectively). The decline of the primary sector, nearly 30 percent, could not be offset by the growth of the other sectors since the secondary sector experienced only modest growth (+3.9 percent) and the tertiary sector barely managed to achieve 3.3-percent growth. Since the GDP growth, exclusive of agriculture, amounted to 4 percent, last year's recession therefore hit the national economy as a whole.

Household consumption declined by volume, whereas investments experienced an impeded [sic] growth rate (from 5.5 percent in 1991 to 7 percent in 1992). In addition, investments approved by the Ministry of Trade, Industry, and Privatization dropped by 7 percent (10 billion dirhams [DH]). This was due to the stagnation that affected some industries: electrical engineering and electronic industries (-42 percent), chemicals and related products (-29 percent), textiles and leather (-25 percent). On the other hand, the agri-food sector had a very appreciable rate of growth (52 percent), as did the metallurgical and mechanical industries (33 percent), industry-related service companies (33 percent), or again industrial companies (34 percent).

Our trade deficit at the end of 1992 had increased, as is shown by foreign trade results. It was 28.6 percent higher than in 1991 (amounting to DH28.9 billion), due to some increase in imports (+5.2 percent) and a decrease in exports (-8.9 percent), which resulted in a noticeable 13.4-percent shrinkage of the coverage rate—down to 54 percent, compared with 62.4 percent in 1991.

As far as money supply is concerned, we note that it increased by 9.2 percent in 1992, compared with 16.5 percent during the previous year, because distributed credits grew by 11.5 percent instead of 31 percent in 1991. Foreign currency reserves continued to increase last year, but at a markedly lower rate than in 1991 (20.9 percent instead of 33.5 percent).

As for prices, finally, although the average cost-of-living index had risen by 4.9 percent at the end of December 1992, we should note that the wholesale price index rose only by 2.8 percent, and the producers price index for the processing industries by 3.2 percent.

These obviously mediocre results therefore prompted the authorities to be extremely cautious and definitely conservative in their 1993 projections.

### Slight Improvement?

According to the finance minister, the Central Bank governor, and even the Bureau of Statistics, economic conditions this year will be marked by the same trends whose effects were already felt last year.

First of all, there is an outside constraint, materialized in the recession that affects the industrialized world, and mostly Europe. At best, we can expect 3-percent growth in the West, considering that the Balladur government announced negative growth of at least 1 percent in France. Recovery within the OECD will therefore be most tentative. This, of course, will have some impact on world trade.

The second trend, which we have actually been experiencing since the beginning of the agricultural campaign, is one that fears a strong slackening of GDP growth, due to the continued drought. Thus, the finance minister, who was projecting a 6-percent GDP growth rate in his 1993 Budget presentation, was forced to cut back his "ambitions," announcing that growth would not exceed 3 percent. But even that figure is viewed with skepticism by expert circles, due to the "aridity" of 1993 projections. Thus, with the grain harvest expected to total 27 million quintals at best (less than in 1992), with a rain deficit of -15 percent compared with last year (and -60 percent compared with a normal year), and with food crops now at risk—according to statements made at the CCMF [Financial Market Credit Committee] by Mr. Rachid El Haddaoui, general director of the CNCA [National Agricultural Credit Fund]—the primary sector will at best remain stagnant in 1993, and the most realistic estimates tend to agree on a negative growth rate.

Industrial growth would be only about 3 percent; as for the tertiary sector, although it would grow, it would do so at a slower rate than last year (+3.3 percent in 1992). Under these conditions, and with an inflation rate that will hopefully not exceed 4 percent in 1993, we can already predict that 1993 will be marked, if not by recession, at least by economic depression, declining consumption, and stagnation.

This evaluation is also supported by the results and performance figures of sectors that reported a slowdown of activity at the end of May 1993. Thus, our exports fell by 6 percent compared with May 1992, and imports also decreased, by 6.5 percent. This decrease affected all import categories, with the exception of foodstuffs (+28 percent) and tobacco (+75 percent!).

The OCP [Moroccan Phosphates Office] reported an 18.4-percent decline of its exports, and exports sagged by 15.3 percent for foodstuffs, by 20 percent for fisheries, by 22 percent for citrus fruit, and by 10.8 percent for early vegetables (all data are given by comparison with the end of May 1992). The only positive results were for exports of consumer goods (+15 percent) while exports of rugs and spare parts collapsed (-40 percent).

According to Mr. Ali Amor, director of the Foreign Exchange Bureau, by the end of 1993 the trade balance deficit will have increased by 2.5 percent compared with 1992, with an increase of 1.3 percent in exports, and +2 percent in imports. The coverage rate will not exceed 54 percent. In addition, for the first five months of 1993, the amounts repatriated by our fellow citizens residing abroad increased by 2.8 percent, whereas tourist entries dropped by 18 percent and related revenues by 6.9 percent (due probably to a decrease in the number of Algerian tourists). Nevertheless, according to Mr. Ali Amor, our foreign-currency reserves were quite appreciable at the end of May 1993 (DH29.8 billion, i.e., -5.4 percent compared with December 1992); they represented at least six months' worth of imports.

### Political Economy or Economic Policy?

It was no doubt these first data and rather pessimistic estimates that prompted financial and monetary authorities to introduce, on 24 June, a series of proposals and priorities designed to give the economy a boost. After our weekly, the press—specialized and non-specialized—gave considerable coverage to these measures, which are intended to materialize the orientations defined in the Royal Letter of 11 June 1993. At this stage, therefore, while the political field remains characterized by some uncertainty, due to the legislative elections, how much room to maneuver does the government have? We need not engage in speculations or announce (with a strong chance of being wrong) the political color of the next government. It seems more appropriate to note that, during the forthcoming months, any government will have to define its economic policy based on the facts that were just published by the authorities. The situation is not too good, and therefore economic issues must be given more attention in order to prevent the crisis, which has an undeniable social impact, from getting worse. With austerity and while respecting financial orthodoxy (to quote Mr. Berada), the State must therefore provide the conditions for a revival of productive activity by striving first of all to resolve a certain contradiction materialized in a double constraint: giving a new dimension to its social policy without indulging in demagogic excess, which would lead to runaway inflation.... That will not be the easiest thing to do!

### Real Estate Losses Reported for First Quarter

93AF0670E London AL-HAYAH in Arabic 22 May 93  
p 11

[Article by Muhammad al-Sharqi: "Morocco's Most Profitable Business Suffers Losses; \$150 Million Loss for Real Estate Sector, Thousands of Empty Luxury Apartments"]

[Text] Rabat—During the first quarter of this year, the prices of luxury buildings and apartments in Morocco decreased by three to five percent compared to last years'



prices. The average decrease during the last three years is about 15 percent, unprecedented in the building sector for many years.

Concerned circles explained that this unexpected decrease in prices is a result of a sharp decrease in demand for medium and large luxury apartments because of the recession in most economic sectors.

These circles estimate that in Casablanca alone there are 40,000 apartments for sale and no buyers. There are also 9,000 apartments in Rabat and Tangier each.

These kinds of apartments were in large demand in previous years for well-to-do Moroccans and Arab tourists. The average price for these apartments ranged between \$200,000 and \$600,000, particularly in Casablanca.

#### Decrease in Gulf Tourism

Since 1992 (after the Gulf crisis and the decrease in the number of Gulf tourists to Morocco) demand for these kinds of apartments has decreased, and selling them has become a very difficult task, particularly since the Ministry of Finance has forced every Moroccan to declare any additional house with a value exceeding \$300,000.

An owner of a construction company specializing in building luxury high-rises says that he has great difficulty in marketing and selling some of the luxury apartments because of lack of demand.

On the other hand, he said that after the Gulf crisis and the decrease of the Arab demand for this kind of buildings, Algerians started to buy them because of the possibility that the Salvation Front would seize power in Algeria.

He added that since 1990 there have been fewer customers which is combined with an accumulation in his company's outstanding debts to the real estate and tourist bank.

It is a known fact that in order to encourage real estate activity, this bank used to give concessionary credit guarantees to every company or individual willing to build houses or high-rises. But this bank was exposed to many shocks after the Gulf crisis which resulted in a recession in the high-rise sector.

Sources in the bank indicate that it suffered losses exceeding two billion dirhams (\$150 million) due to the inability of the hotels to pay their debts.

In an attempt to offset this deficit the bank, of which Mr. Mani' Sa'id al-'Utaybah, former UAE Minister of Oil owns nine percent, increased its capital by \$500 million. The bank also gave an interest rate of 12.75 percent over 15 years. The bank is currently launching a big propaganda campaign in the newspapers and the television to attract new depositors in return for granting bank loans to buy or to build houses.

#### Three Billion Dirhams

Bank sources say that it needs at least three billion additional dirhams to resume its activities at the 1990 level. The sources also said that the decrease of the price of some apartments is due to the decrease in demand and the need of the builders to repay their bank debts so they are forced to accept lower prices rather than to continue to service their debts.

It is quite normal these days to find high-rises and even complete neighborhoods whose owners refuse to lease them, but rather wait for wealthy clients to buy them. These condominiums were built using loans from the Real Estate and Tourist Bank to be sold to Arab tourists who prefer to buy houses for an occasional stay.

Bank sources acknowledge that these kinds of apartments are not for the regular citizens looking for a place to live.

It is worth mentioning that the real estate sector was the most profitable business in Morocco, yielding profits as high as 60 percent due to the shortage in housing units totalling 1.2 million apartments, according to the statistics of the Ministry of Housing.

The continuous increases in prices during the past ten years have more than doubled the real estate prices and put them beyond the capabilities of the majority of the people, while the Arab demand has decreased.

#### Statistics Show Drop in Investments

93AF0670D London AL-SHARQ AL-AWSAT in Arabic  
28 May 93 p 13

["Investments Decline in Morocco by 49 Percent; Foreign Investment Declines 63 Percent"]

[Text] Rabat—The Moroccan Ministry of Commerce, Industry and Privatization approved 228 investment requests last March. Eighty requests were new ones, while 148 were related to expansion in activities. The total investment is 766 million dirhams. This figure is 49 percent less than the total investments in the same month of last year.

The ministry announced that these investments would require foreign currency investment of 471 million dirhams (\$53 million) a rate less than that of March 1992 by 57 percent. These investments would create 5,964 new jobs.

The Moroccan private sector's participation in these investments is 57 percent, the foreign investment represents 16 percent, while the public sector pays the remaining 27 percent.

The volume of foreign investments is 322 million dirhams (\$36 million) which represents a 63 percent decrease compared with the same period of 1992. The volume of government investment increased by 132 percent compared with the same period last year. The

volume of public sector participation in these products still ranges from one to nine percent.

The agricultural-food industries have the greatest share—39 percent of the public investment. These industries have created ten percent of the new employment opportunities, while 17 percent of the total investment requests are related to them. Textile and leather industries are second, representing 22 percent of total investments, 57 percent of the new jobs, and 29 percent of the new investment requests.

Chemical and pharmaceutical industries are third, with a rate of 21 percent of the total investments, 16 percent of the new jobs, and 19 percent of the new investment requests.

Electric and electronic industries are in fifth place, with a rate of three percent of the public investments, three percent of the new jobs, and three percent of the new investment requests.

Mechanical industries are in sixth place, with two percent of the new public investments, three percent of the new jobs, and seven percent of the investment requests. Service contracts related to industries are in last place, having less than one percent of the investments.

Greater Casablanca Wilaya is in first place, with an investment volume of 360 million dirhams, which is 47 percent of the total investments, 2,340 new jobs, and 82 new investment requests, which is 36 percent of the approved projects. Rabat-Sale Wilaya is second, with an investment volume of 67 million dirhams, representing nine percent of total investments, 429 new jobs that represent seven percent of the new jobs, and 26 investment requests.

Tangier Province is third with an investment volume of 53 million dirhams that represent seven percent of total investments, 1,150 new jobs that represent ten percent of the new jobs, and 20 investment requests.

Kenitra Province is fourth with 47 million dirhams in investments, representing six percent of the total investments, 409 new jobs that represent seven percent of the new jobs, and 12 requests that represent five percent of the permitted projects.

The rest of the provinces share 339 million dirhams in investments, representing 31 percent of the total investments, 1,636 new jobs that represent 27 percent of the new jobs, and 88 approved investment projects.

## OMAN

### Petroleum Minister Describes Pipeline to India

93AE0535 London AL-HAYAH in Arabic 15 Jul 93  
p 12

[Article by Sa'id 'Isa]

[Text] Sa'id Bin-Ahmad al-Shanfari, Omani minister of petroleum and minerals, said that there are no financial problems obstructing the gas pipeline project between Oman and India. In a statement to AL-SHARQ AL-AWSAT, he said that there is no connection between the Omani line and the memorandum of understanding signed in Tehran a few days ago to build a similar pipeline between India and Iran. He expressed his country's welcome for any Gulf state that may wish to benefit from the line that will transport gas to India.

The Omani minister announced that he will visit China in October at the head of a delegation of technicians and experts, since China has expressed great interest in developing its economic, trade, and oil relations with the Sultanate.

Al-Shanfari said that Iraq's return to the oil market to sell the quantity of oil determined by the Security Council will not affect the oil prices. He called for regulating production, stressing that the Sultanate is playing an active role among producers outside OPEC in order to ensure that the oil market will not be swamped. He said that the drop in oil prices has been behind some of the European countries' inclination toward imposing energy tax. He praised the Saudi role in limiting the chances of the European energy tax being approved.

The following is the text of the interview:

['Isa] Is there any connection between the gas pipeline linking the Sultanate and India and the memorandum of understanding that Iran signed with India recently to build a similar pipeline.

[Al-Shanfari] There is absolutely no link between the line that will transport Omani gas to India or any similar line. I would like also to stress that there are no financial difficulties facing the Omani-Indian pipeline. On the contrary, we have seen increasing interest by international banks to finance the line. The only difficulty facing the line so far is a technical one. But specialized international consulting firms affirmed that they can resolve more than 85 percent of this problem. Qays Bin-'Abd-al-Mun'im, deputy prime minister for economic and financial affairs last June signed a technical and economic feasibility study of the project with several private companies in Paris. We will receive the studies' results not later than four months from now.

Al-Shanfari added: India has shown great interest in this project, it is very enthusiastic about it, and greatly depends on it to meet its increasing future requirements of gas. On our part, we have a vast reserve of gas which recently greatly increased; it now exceeds 20 billion cubic feet.

['Isa] How much will the project cost?

[Al-Shanfari] The cost will be about \$4 billion. The Sultanate's excellent reputation and trust in it have prompted the world banks to rush to compete in financing the project, which should be ready to come

into operation in mid 1996. We once again welcome any Arab Gulf state that wishes to benefit from this line. Indian officials stressed that it is of great importance for them, for it will enhance their ability to participate in major investment projects with countries of the area.

[I'sa] During his recent visit to Muscat the Chinese vice premier of the State Council expressed his country's desire to cooperate with the Sultanate in the oil field. Does the Sultanate have any specific projects with China in the oil sector?

[Al-Shanfari] I will pay a visit to China next October at the head of a delegation of experts from the ministry of petroleum and minerals. During the visit we will explore the possibilities of cooperation and investment with China, which has vast investment opportunities and represents a vast market. We will seek to come to an agreement suitable for both sides. China is a major consumer of oil and gas.

[I'sa] How do you view Iraq's return to the oil market in case the current talks between it and the United Nations for the resumption of oil exports succeed.

[Al-Shanfari] Iraq's resumption of oil exports will have no great effect because the Security Council resolution, which is the subject of negotiations, limits Iraq to selling \$1.6 billion worth of oil to be sold over six months. It is relatively a small quantity. The oil market is saturated at present and the supply is greater than the demand. Therefore, the prices are low.

It is feared that this drop in prices will continue to drop during the last quarter of the year since the producers expect the prices to go up with the coming of winter, but the consumers exploit the summer period in which oil on offer increases and prices drop to buy additional quantities to store for the winter. Therefore, OPEC countries must understand this situation well and take into consideration the hoarding by the industrial countries, the largest consumers during the summer time, and the drop in prices.

[I'sa] What about the consumers outside OPEC?

[Al-Shanfari] OPEC plays a bigger role in the production field in view of the major producers it includes. We in the Sultanate make sustained efforts to maintain cooperation among non-OPEC producers in order to maintain the supply and demand in the market. We have hosted a meeting of producers from inside and outside OPEC and we are following up its recommendations and decisions. Stability in the oil market is very important for all the parties, particularly the producers who mainly depend on oil revenues in developing their countries.

[I'sa] Recently there has been encouraging signs that the EC is finding it difficult to impose the proposed tax on oil? Are these signs real? How can the GCC [Gulf Cooperation Council] countries deal with the proposed tax?

[Al-Shanfari] The signs are in fact real. Recently I met with a number of ministers of economy and oil in the European countries, including officials from Britain and Finland. I felt that there is opposition to the tax in the EC, but the reasons for the opposition differ among the opposers.

The Kingdom of Saudi Arabia and the Gulf states, using their influence, exerted great efforts to convince the European countries not to impose the proposed tax. As a result of these efforts several European countries understood the situation. But at the same time there are countries that insist on imposing the tax. Discussions between the GCC and the EC in this field are continuing. Brussels meeting tomorrow Friday between experts from the GCC and the EC is part of this endeavor. Generally, it is a long way to a final solution of the tax question.

We need to talk to the European consumer directly and convince him because he can help us by bringing pressure on his government if he were to know the truth. This is because the consuming countries buy the barrel of oil at a price that currently is around \$15, but the consumer buys it for around \$100, and the difference is taken by the state. This is a disaster for the consumer to whom we should address ourselves and clear the facts for him.

[I'sa] Is there a link between oil price and the energy tax?

[Al-Shanfari] Naturally there is definitely a link between them because the drop of prices to the present level has prompted the European countries to consider imposing an energy tax. For, if the price per barrel was \$23, for example, the consuming countries would not have thought of imposing a tax, but the low price has encouraged them to impose a tax in order to realize the greatest benefit for their budgets, rather than let the consumer enjoy the benefit of the drop in prices.

[I'sa] Will increasing prices be one of the solution?

[Al-Shanfari] Partially. Raising prices to a reasonable level would contribute to the solution. We in the Sultanate of Oman always call for a balanced price that is compatible with the economic situation because we support any step that would improve the world economy since we are part of it. Just as we reject the excessive drop in prices, we do not favor a major increase because the producers have been through a difficult experiment when the oil prices shot up to \$40 per barrel in mid seventies before they collapsed. The profit we made in one year we lost in the subsequent years.

## SAUDI ARABIA

### Pipeline Expansion Expected To Reduce Prices

93AE0531C London AL-SHARQ AL-AWSAT in Arabic 2 Jun 93 p 12

[Article: "Discussion on Extending Sumed Pipeline to Saudi Arabia at Cost of \$2 Billion; Pipeline Expansion Strengthens Price Competition in Mediterranean Markets"]



[Text] London—Oil industry analysts expect that expanding the Sumed [Suez-Mediterranean] pipeline by nearly 50 percent will lead to increased competition in the Mediterranean oil markets by enabling Gulf exporters to pump nearly 740,000 additional oil barrels into European markets daily.

The pipeline, which is 320 km long and links 'Ayn al-Sukhnah Port on the Red Sea with Sidi Karir terminal that is close to Alexandria, is undergoing expansion. The pipeline management has said that it is considering a plan to extend the pipeline to Saudi Arabia.

The pipeline expansion, which will cost nearly \$120 million, seeks to increase the pipeline capacity from 1.6 million to 2.34 million barrels daily. It is expected expansion work will be completed in two years. Nearly 80 percent of the oil pumped through Sumed is marketed in Mediterranean countries, and the rest in west and north Europe.

ENERGY COMPASS, a specialized publication, says that pipeline expansion will especially influence the prices of Russian crude oil shipments from the Urals, and of a number of other crudes marketed in the Mediterranean region. The publication adds that Gulf producers "will especially benefit from increasing the pipeline's capacity, considering the low cost of shipping through the pipeline in comparison with the cost of shipping by tankers and keeping in mind that dimensions of the Suez Canal do not permit the passage of tankers with a total load capacity of more than 150,000 tons. This makes it impossible to use giant tankers. Oil shipping sources have said that using the Sumed pipeline saves nearly 10 percent in shipping costs."

Sumed management has said that, in addition to expanding the pipeline, it plans to increase the capacity of 'Ayn al-Sukhnah and Sidi Karir ports from 20 million to 35 million barrels. At present, the management is considering a plan to raise capacity of the Sidi Karir terminal to 10 million barrels, i.e., to fourfold its current capacity, which amounts to just 2.4 million barrels. As for 'Ayn al-Sukhnah Port, the management says the target is to increase its capacity to 25 million barrels.

Recently, 'Ayn al-Sukhnah Port has made a major contribution to reducing the accumulated oil shipments heading for the Mediterranean ports. With the completion of major operations to deepen the port last year, this port is now capable of handling giant tankers with a capacity of nearly 500,000 tons. Prior to these operations, the port couldn't handle tankers with a maximum capacity of more than 285,000 tons.

#### Extending Sumed to Saudi Arabia

Egyptian oil sources have said that the company operating the pipeline (the Arab Oil Pipelines Company), which is headquartered in Alexandria, is in the process of studying a plan to extend the southern part of the pipeline to Saudi Arabia. These sources added that the project, with an estimated cost of nearly \$2 billion, calls

for extending the pipeline from 'Ayn-al-Sukhnah to Saudi territories through Sharm al-Shaykh, which is located on the southeastern tip of the Sinai Desert.

The project also includes the possibility of extending a pipeline inside Saudi Arabia to link the Sumed network with the recently discovered Midyan oil field and with the Petroline pipeline network, which links the Saudi Arab Gulf coast with Saudi Red Sea ports.

In case this project is implemented in its entirety, the Gulf countries will be able to ship oil to the Mediterranean without the need to use tankers.

Now that Petroline's capacity has been increased from 3.2 million barrels to 4.2 million barrels daily, Saudi Arabia will be able to pump more oil through the Sumed pipeline.

Recently, Iran expressed its wish to participate in the operations to expand the Sumed pipeline with the aim of reinvigorating its role in the Mediterranean markets, especially since it faces strong competition in these markets. This competition has recently forced Iran to divert its shipments from these markets to other secondary markets, including South Africa.

Oil industry sources have said that the Iranian National Oil Corporation (INOC) recently contacted the Saudi company that operates the Sumed pipeline about concluding a long-term agreement to transport Iranian oil through the pipeline. Even though Iranian oil shipments absorb nearly 35 percent of the Sumed pipeline capacity at present, all these shipments are transported for foreign clients. INOC transports none of its oil directly through the pipeline.

Two years ago, Iran canceled a deal to transport Iranian oil through Sumed in accordance with an agreement it had concluded in 1990 with (Marimpex?) Company, which is headquartered in Hamburg.

ENERGY COMPASS says that no accord between Iran and Sumed is possible at present without taking political factors into account. But despite the political disputes existing currently between Iran and a number of Arab countries, especially Egypt, it "is not totally unlikely" that Iran and Egypt can reach an agreement to transport Iranian oil via the Sumed pipeline.

Analysts say that because Egypt wants now to counter the drop in the number of tankers crossing the Suez Canal, it "may be possible" to reach agreement with Iran.

It is to be noted that the Egyptian Public Oil Authority owns 50 percent of the Arab Oil Pipelines Company, which operates the Sumed pipeline; Petromin, a Saudi corporation, owns 15 percent; the Abu Dhabi National Oil Company owns 15 percent; the Kuwaiti Trade, Construction, and Investment Company owns 14.66 percent; and the Kuwaiti Investment Company owns 0.3 percent.

## TUNISIA

**Trade Minister Discusses Economic Priorities**

93AF0668A London AL-SHARQ AL-AWSAT in Arabic  
28 May 93 p 2

[Report by Zohayr Dawud: "Tunisian Trade Minister to AL-SHARQ AL-AWSAT: Forty Percent of Public Sector Institutions Have Been Successfully Privatized; Dinar Transferability Directed To Attract Investments"]

[Text] Rabat—The Tunisian trade minister, Mr. Salah Hamdi, said in an interview with AL-SHARQ AL-AWSAT that the privatization process in Tunisia is being implemented according to schedule. He added that much success has been achieved in this field in both the industrial and commercial sectors where more than 40 percent of the institutions have been privatized.

The Tunisian minister said that the process in general is sound. The privatized companies have good records in their volume of transactions and their financial results. He added, "What is important is that we maintain the level of employment and productivity." Most privatized companies have kept their employees. This is a contribution to the available jobs and an effort to limit unemployment.

**Priority for Rural Development**

Answering a question on the issue of the bank's interference in the field of rural development as stipulated by the economic budget for 1993, Mr. Hamdi said that rural development in particular is a requirement in the current economic policy.

It is a known fact that supporting and developing infrastructure and concentrating collective arrangements in all rural areas are among the major objectives of the Tunisian development plan.

He added that the Tunisian private sector has to play an important role in developing the infrastructure (roads and communications) and it has to concentrate on preparing areas to accommodate projects.

He also added that the Tunisian private sector will have to obtain direct support from the Tunisian banks that work within the framework of a state structured policy.

The Tunisian official considers rural development not to be restricted to industrial and agricultural projects. It also aims to improve the standard of living in the rural areas, which is of great interest to Tunisian President Zine El Abidine Ben Ali, because the agricultural sector is a positive strategic pillar in the economy. The plan aims to give incentives to the rural population to stay in the countryside and to limit urban migration.

He answered a question on whether the decision to allow Tunisian banks and financial institutions to borrow within a certain limit directly from abroad is aimed at limiting the ability of the bank or the financial institution to borrow in order to improve the position of the Tunisian economy. Mr. Hamdi said that this decision is within the framework of the courageous decision to

eliminate restrictions on the transferability of the Tunisian dinar in order to gradually establish a Tunisian monetary market so that the Tunisian central bank will be able to set a value for the dinar and also for the interest rate. These actions aim at enhancing the liberalization of the Tunisian economy.

While on the same topic, Mr. Hamdi said that by making the dinar freely transferable—a decision taken at the beginning of this year and recently hailed by the International Monetary Fund—Tunisia aims at increasing the creditability of its economy and increasing the confidence of the Tunisian companies in their economy. It is more important to gain the confidence of our economic partners, enhance the position of the economy, attract foreign capital to invest in Tunisian economic sectors, and to increase the foreign currency reserve.

**Decreasing Foreign Debt**

Mr. Hamdi said that decreasing the Tunisian foreign debt last year to 48.6 percent compared to 52.4 percent in 1991 is within a controlled strategy that started in the seventh plan and was stressed in the eighth plan. The Tunisian plan currently depends on its domestic resources for 72 percent while obtaining 28 percent of its resources from external sources.

There is a trend toward minimizing short-term loans that have very difficult terms, because they are very expensive. On the other hand, the concessionary loans have become very scarce. Partnerships and transactions developed with foreign countries and institutions and encouragement of direct investment in Tunisia will enable us to minimize borrowing, decrease the loan percentage, and minimize the external debt service. These actions will enable us to control the volume of our loans and to make them compatible with our capabilities and our total domestic product, a matter that is stipulated in the eighth budget plan, according to which we hope to decrease the percentage of our external debt to about 42 percent.

Regarding the results of the Tunisian-Moroccan commercial exchange within the framework of partnership, Mr. Hamdi said that the volume of commercial exchange between the two countries reached \$100 million in 1992, while it had never exceeded \$50 million in the past five years. He added that this volume is too small considering the real potentials of the two economies. He attributed the small volume of exchange to the similarity of their marketable products.

The Tunisian official said that there are programs to intensify meetings between businessmen in the two countries in order to highlight cooperation and investment opportunities in both countries so they can make use of the economic similarity and transfer it to real integration and coordination and achieve joint marketing for the products in Africa and Europe.

**Moroccan-Tunisian Partnership**

Mr. Hamdi added that the bilateral Moroccan-Tunisian partnership is just a first step towards establishing a

common Maghreb market. He added that both countries are trying to overcome the difficulties of Maghreb integration.

Mr. Hamdi said that Tunisia's volume of exchange with the rest of the Arab Maghreb countries was estimated last year to be 8 percent compared with 7.6 percent in 1991. This figure is low for historical reasons that relate to the lack of deep knowledge of the problems and commercial traditions that link some Maghreb countries with some economic blocks, similar to Europe's trend toward self-sufficiency that led to decreasing the strategic importance of some Maghreb countries to major European partners.

#### Maastricht and Europe

Mr. Hamdi said that the effects on Maghreb economies of Europe's unification have been exaggerated. With regard to Denmark's reconsideration and approval of the Maastricht treaty and the affect of this action on the mechanisms of European-Maghreb commercial exchange within the framework of the protectionist policy imposed by Europe on exports—including south Mediterranean and Maghreb countries' exports—Hamdi stated that "this process should be considered a new challenge, and we have to reorganize in order to meet it." He added that the technological standards and quality control of Maghreb products have to be raised. Hamdi considers these measures sufficient for overcoming European protectionism. Europe will not be able to achieve self-sufficiency, because it will face challenges from other economic blocks, particularly America and Asia. Therefore, the Maghreb countries are encouraged to maintain their economic status within the European market.

As for the reasons for not concentrating on commercial exchange with GCC countries, Mr. Hamdi said that this is because of the distance between the two blocks and the problem of transportation and commercial traditions between these countries and other markets, especially the Asian markets. He added that it would be possible to increase commercial exchange, provided that the problems of transportation and quality control are overcome, particularly those of packaging to appeal to the Gulf consumer.

Mr. Hamdi said that the Maghreb will have to control costs and packaging in order to increase commercial exchange with GCC countries. He added that quality control is a basic prerequisite for increasing commercial exchange between the two blocks.

### REPUBLIC OF YEMEN

#### Elections Promote Democracy, Human Rights

93LH0009C London AL-QUDS AL-'ARABI in Arabic  
11 May 93 p 11

[Article by 'Abdallah Turkumani]

[Text] The success of the Yemeni elections represents one of various phenomena of Yemeni transition to the

era of democratic practice along the road of change, modernization, and development. The Yemeni democracy has succeeded in overcoming old tribal divisions, bloody confrontations, and military coups d'etat. The great importance of the Yemeni experiment transcends the Yemeni borders because it represents yet another Arab model besides the Algerian one. Valuable lessons could be learned from the Yemeni experiment that could bring to light freedom, democracy, and change to the whole Arab region. Some of these important lessons are:

1. People are both the source and owner of power; they practice power through elected institutions. The constitution is a social contract which is the base for legitimacy and should therefore be protected from any jeopardy that threatens the civilian democratic character of the state.

2. Political authority is based on free electoral representation that represents the true will of the people, guarantees political and intellectual pluralism as well as freedom of opposition, and forbids violence. Further, it guarantees the transition of power by peaceful and constitutional means. It also preserves human rights. Furthermore, this political authority provides the right environment for free thinking. In this environment, anyone has intellectual freedom and can be affiliated with any political party or organization. In addition, it provides equal job opportunities in any position in both the civil and urban community services—according to qualifications and capabilities. In order to achieve the above-mentioned benefits, electoral legitimacy forms the basis for the peaceful transition of power; the separation of legal, executive and judicial authorities is guaranteed.

3. The judiciary branch is independent, and it is necessary that those holding posts in this branch not be affiliated with any political party. The military and security institutions should also be independent; these are considered national institutions—subject to the civilian community—and not ideological partisan ones with limited loyalty. In this way, the loyalty of these institutions to the national cause would be strengthened and they would be capable of defending the nation's independence, sovereignty, and constitutional legitimacy. It is required that we prevent civic community institutions from transforming into political-struggle institutions within the parties and political organizations. If they were to change into political institutions, they would be diverted from their essential responsibilities of defending the interests of professional, union, and social organizations.

4. Freedom of the press and media would help serve the society well, foster public opinion, and make it possible for society to express its trends. Freedom of the press and media would also protect the rights of journalists and innovators and provide the press and media legal guarantees that are necessary for giving the press freedom to exercise its responsibilities to society—especially the right to both acquire information, while preserving the secrecy of its sources, and to refrain from writing what is not acceptable to the professional consciousness and



intellectual commitment. All these procedures basically reflect the citizens' right to freedom of knowledge, thought, press, expression, communication, and the acquisition of information that would enable them to declare their intellectual and political trends. At the same time, the right for citizens, political parties, and civil society organizations to publish journals and magazines should be guaranteed.

5. The independence of civil service jobs should be preserved, and such jobs should not be exploited to serve any partisan goal. Therefore the government, which has parliamentary consent, should not introduce any changes in its apparatus, either through the appointment or dismissal of cadres or employees of civil and military institutions. This does not conflict with the need to improve productivity in public service institutions by finding solutions for the institutional and job inflation problems. These principles are even more important when viewed in light of the principle of equal opportunities for citizens with regards to employment, promotion, or training for public service jobs; this equality would be achieved when such jobs are not subjected to any partisan or frivolous personal considerations. This would also require refraining from favoritism and the use of confidence and loyalty, instead of qualifications and experience for public service jobs.

6. Honest elections should be guaranteed by way of the following principles:

- Each voter has only one vote that he/she should cast in person, and only in the constituency.
- The voting card is personal and should not be used by anyone other than its owner in any election.
- Members of the high committee for election supervision must be independent.
- All candidates must have equal access to official media in order to have equal opportunities to present their programs.
- The use of public funds and funds from budgets of ministries, public companies, public institutions, and public organizations, as well as external funding for election campaigning, should be prohibited.

7. Public freedoms, including pluralism and intellectual and union diversity, which are constitutional, are considered essential elements of the democratic system. Parties and unions can get along with their activities in order to implement their declared programs through the use of peaceful and democratic methods while they are either in full power or participating in it by way of general, free, and honest elections. In order to achieve these goals, a committee for party affairs composed of independent judges, known for their honesty and adherence to democracy and pluralism, should be established. Once parties acquire legal licensing, their proceedings, documents, correspondence, and means of communications should be protected; parties should not be subjected to surveillance, search, raid, or confiscation. In the case where a punishable crime is suspected, the

search for evidence should be undertaken in the presence of the prosecutor concerned with the case and a party representative.

Pluralism necessitates a commitment neither to use force, advocate it, nor threaten to use it in political activity. It also necessitates refraining from attempting to seize power by non-democratic means, whether through individual force or collective force or coup d'état in order to seize power and breach constitutional legality. Commitment to democratic practice by the parties would guarantee the above-mentioned procedures. To practice democracy, parties should have open activities, convene periodic conventions, and have elected administrations. In other words, parties should believe that, if they do not practice internal democracy, they are not capable of practicing it with other parties or within the society.

8. Constitutional rights of women—in their totality and with no discrimination—with regards to both rights and duties, should be guaranteed and protected. Women should also have equal opportunities for education, work, and for performing their political and social roles in government institutions, political parties, and social organizations.

9. A comprehensive development plan for achieving an economic policy which raises the work value and provides the potential for becoming self-sufficient, should be prepared. This could be fulfilled by encouraging private and joint investments and having the strong belief in the role of individuals and groups in coming up with fruitful and innovative achievements within the framework of the democratic plurality. This also requires the granting of public freedoms that provide the suitable environment for individuals and groups in the private, public, and joint economic sectors to compete for the public good. This competition would make it possible to provide the general public with its essential needs through gradually applying the market economy system in a precise and rational manner. This could be done by mobilizing and guiding human, natural, and financial resources. To guarantee all of this, the following guidelines should be followed:

- National capital should be encouraged to invest in all areas; the way should be open for Arab and foreign investment.
- Development projects should be directed towards the goal of providing more job opportunities, raising the living standard of the individual and the society, and using modern technology. Industries that depend on local raw materials and are complementary to other economic sectors should be given priority.
- Raising productivity, regulating prices, and confirming a fair and effective salary policy should be given great consideration.
- Social security should be provided in order to secure justice to the people and safeguard their dignity.

10. The affiliation to the Arab and Islamic identity should be ensured. Great consideration should be given

to the Arab national unity in order for it to be completely liberated and renewed; it should also become capable of regaining control of its wealth and liberating its will and other potentialities from the elements of disintegration. Victory over all the Arab national problems, foremost of which is the case of the seized rights of the Palestinian people, should be envisaged. In order to return the rights to the Palestinian people, they should be supported until they regain their liberty and sovereignty and establish their independent state. Peaceful and democratic principles should form the base for the fulfillment of all these aspirations.

Thus, it is clear that the negative heritage did not hinder the success of the Yemeni people in their democratic choice and their presenting the model to their brethren in other Arab countries. Hopefully, the Arab countries will benefit from this model and choose pluralism, democracy, and the peaceful transfer of power.

### Opposition Reveals YSP, Congress Agenda

93LH0009B London AL-HAYAH in Arabic  
18 May 93 p 4

[Article by 'Abd-al-Rahman al-Haydari]

[Text] The weekly journal AL-HAQ, one of the Yemeni opposition journals, mentioned that it is in possession of a document about "procedures for achieving coordination and alliance by way of merging the People's Congress Party with the Yemeni Socialist Party (YSP)."

The document contained the following quotations: "This agreement represents the consolidation of old relations between the Party and the Congress. This relationship has consolidated the unification of the two parts of Yemen in the Republic of Yemen. The agreement is also a basis for unity in a single political organization which aims at strengthening the democratic process and building the 'modern' Yemeni State." The document, as published by AL-HAQ, also reads: "In order to implement (assignments) included in the agreement, the following procedures will be followed:

First: Constitutional Reforms: The established committee would resume the preparation of the draft copy of the constitutional reforms: 10 May 1993:

- A report should be prepared by the Party and the Congress: 11 May 1993.
- Discussions with the Reform Grouping: 12-13 May 1993.

For implementing the reforms, one of the following alternatives should be endorsed:

The first alternative: According to Act 88 of the Constitution, reforms should be ratified before organizing the new executive branch. This means that the presidential council and the government would continue to function. This requires the following:

1. The united Socialist-Congress parliamentary group would submit the suggested constitutional reforms for review: 15 May 1993.

2. Due to the exceptional circumstances, constitutional reforms would be discussed in parliament during June 1993.

3. The president and vice president would be elected during the period from 1-5 July 1993.

4. The government would be formed according to the new constitution in July 1993.

The second alternative: The executive branch would be formed according to the present constitution:

1. The presidential council would be elected on 15-16 May 1993.

2. The government would be formed from 17-20 May 1993.

3. The united parliamentary group would submit the constitutional reforms in June 1993.

4. The constitutional reforms would be discussed in parliament in August 1993.

5. The president and vice president would be elected in September 1993.

Second: A committee would be established to formulate executive programs for those urgent matters—available at the time of the signing of the agreement—included in the programs of the two parties. This program would be presented to the leadership and forwarded to the government so that it would be incorporated into the government program that would be submitted to parliament within ten days.

Third: A committee would be established to organize the parliamentary groups, describe the role of the parties, and make other arrangements.

- As soon as the agreement is signed, the committee would be established and would submit its report within ten days.
- The report would be discussed with parties and working organizations that wish to join the parliamentary group.

Fourth: As soon as the agreement is signed, a committee would be established to draw the principles and documents for the merger of the Party and the Congress parties in a single political organization.

- The committee would submit its report to the general secretaries of the two parties within two months.
- The two general secretaries would present the documents to the general committee and the political bureau; these two bodies would submit their comments to the two general secretaries within a month.
- The two general secretaries would submit to a joint meeting of the general committee and the political bureau a report that would include the following:
- The final draft of the documents.
- A time-table for finishing merger proceedings within two weeks.

"Annex #1:" The collaboration between the "united front" and the "reform front":

Since there is mutual consent for collaboration between the "united front" of the Socialist, Congress parties and the Yemeni Grouping for Reform, agreement should be reached with regards to the following:

1. The constitutional reforms.
2. The basic trends of the government program.

As a condition for collaboration, the "united front" would submit the above mentioned documents for discussion with the Yemeni Grouping for Reform by 12-13 May 1993. The "united front" would agree with the Yemeni Grouping for Reform about the contribution of each to the different organizations.

#### Jarallah 'Umar on Election Results, YSP

93LH0009A London AL-HAYAH in Arabic  
23 May 93 p 4

[Text] In an interview that AL-HAYAH conducted in Washington with Mr. Jarallah 'Umar, head of the political committee in the Yemeni Socialist Party [YSP], he said that the issue of uniting his party with that of the People's Congress should be extensively discussed. He further indicated that his party's central committee had many urgent issues to deal with such as the formation of the government and the constitutional changes. "The merger issue can be discussed in the future, because I do not believe that it is so urgent."

'Umar, presently visiting the United States upon an invitation from that country, believes that it is better for Yemen to form a national consensus government "in order for that government to start building the nation and its institutions, establish security and stability, and begin the development process".

Following are details of the interview:

[AL-HAYAH] How will the Yemeni elections impact the Socialist Party future?

['Umar] For an obvious reason, I am confident that the elections have had a positive impact on the future of the Party because the Socialist Party has examined itself and the people have also examined it during these elections; it passed the examination fairly well. Yet, what is more important is the fact that the Party's success in the past has guaranteed its future. In other words, the Party had vowed to both accept the election results and nurture the democratic and multi-party process; the Party had also indicated verbally its belief in both of these issues, then actually abided by its verbal vow. The Party has recorded a historical success because it previously theoretically abandoned the idea of a totalitarian state, then in reality did it by taking part in the elections and the peaceful competition with other parties, as well as accepting the election results. I am confident that in the future it will be one of the important parties. The Party represents the interests and views of a broad force intellectually and socially, from both the middle and the

left; it also represents the forces of modernization and democratization. The influence of these forces will increase in the future as they represent the most important elements of the urban society and the more active sectors. I am therefore optimistic about the future of the Party.

[AL-HAYAH] Is it true that you belong to the tough-minded wing that discourages an instant merger between the Socialist Party and the General Popular Conference Party?

['Umar] First, I would like to inquire about a certain term mentioned now and before. Why is it that when someone either discusses or has a viewpoint on a certain matter, he is described as being tough-minded? It may be that AL-HAYAH has fallen into the use of those general terms used in the Arab world.

I believe, with regards to the merger issue between the Conference Party and the Socialist Party, that it is mainly an intellectual-political issue; it is also a political program issue. Therefore different dimensions of this issue should be discussed and much negotiating should take place, especially about issues such as future development, whether or not it would benefit modernization, how far it would serve the democratic process, and finally is it in conformity with the stage of development that the country is currently passing through? Besides, such a merger is one of consent, therefore, it should be democratically introduced, then extensively discussed; using terms such as "tough-minded" and radicalism would obstruct such discussions.

[AL-HAYAH] Since you object to the term "tough-minded," which other term do you prefer?

['Umar] The term "the one who disagrees" could be used. However, suggesting the merger is valid, and so is posing a different opinion. This issue is left for the decision of both the central committee and the Party convention. Whatever the institutions decide would be....

[AL-HAYAH] How do you think the Party will deal with the matter if an agreement is not reached between the two sides representing the two opinions inside the Socialist Party? Could those opposing the instant merger go so far as to oppose it?

['Umar] No. I believe that what the Socialist Party is currently doing is a form of organizational work that people are not familiar with. Therefore perceptions of it could be exaggerated.

In fact, when there is disagreement regarding some issue inside the Party, it is made public, then it is publicly discussed, and finally the matter is resolved by way of putting it to the vote in the central committee and different institutions; the majority vote is respected, because, with regards to such matters, everyone respects the other opinion. The Party's general secretary previously explained this issue in an interview with AL-HAYAH when he indicated that those who were in favor of an instant merger believed that it would serve the



cause of stability; whereas, those who were not for a hurried merger process had their reasons as well. Therefore, no side belittles the other side's opinion; there is understanding; we want to be trained to tolerate differences. I am confident that the Yemeni Socialist Party will preserve its unity; as the secretary general of the Party said: "We either all go or all remain."

[AL-HAYAH] Some indicate that the Socialist Party has practically become two parties?

[Umar] I do not agree with this opinion since there are not two programs. Besides, there is only one party leadership and one secretary general with nobody contesting him for this post. The political bureau holds regular meetings; the central committee will be summoned for a meeting on 25 May of this year. The committee will review all issues in order to make the appropriate decisions. Naturally, the committee has some urgent matters to deal with such as formation of the government and making constitutional changes. The merger issue, however, is an issue of the future that could be discussed any time. I believe it is not so urgent.

[AL-HAYAH] When will the party convention be convened?

[Umar] The party convention was postponed because of the elections; no date has been set for its convening. I believe the central committee is responsible for setting a date for the coming convention; it will start preparing for that once it is through with governmental arrangements.

[AL-HAYAH] In your view, after the elections, what is the best policy for political work in Yemen, keeping in mind that you had previously preferred for the Socialist Party to shift to the opposition?

[Umar] In my view, both from the general national viewpoint and due to the circumstances that the country is passing through, it is better to form a national consensus government with representatives from all parties and political powers, including representatives from the small parties and political movements. Such a government would be suitable for initiating the rebuilding of the state and its institutions, establishing security and stability, and beginning the development process in the framework of a general national consensus. Here, I am referring to the national interest. On the other hand, as a member of the Yemeni Socialist Party and one of the party leaders, I wished and hoped that the party would be in the opposition, because that would have helped it to develop as a political party of the people. Besides, being in the opposition, the party would learn how to oppose; this is especially true as, during the past few years, the party had been either an underground party struggling against either the imams or the British, or it had been in power and remained in power as has happened during the last two decades. The party has not yet experienced being in the opposition and working with the people within a legal framework. I believe the party is in need of this type of work. I had hoped for that. Yet, many of my colleagues find that it is more suitable for the party to contribute to the building process,

especially since people in many regions, especially in those regions that have become known as the southern and eastern governorates, have chosen the party representatives, thus making them responsible for certain issues. By choosing the party representatives, they also wanted to give public witness to the Yemeni Socialist Party.

[AL-HAYAH] Is it true that you have been nominated for a government post?

[Umar] I can say—not out of pretended modesty—that I have never personally cared for an administrative or government post. Naturally, I believe that Yemen is currently in need of a government composed mainly of experts and in a minor part of politicians, because we have talked a lot about politics; the elections are over and we now have a parliament and in a week or more we will have a new government. I believe that currently we should be considering what we can do for the people; how to start development, achieve stability, and start building the infrastructure needed for the development process in order to reach the level of those countries that are ahead of us. Such a government is more in need of experts and specialists than it is of politicians. It is also certain that a government composed of experts needs to be one of action and one that has power, authority, and defined responsibilities that would enable it to make decisions and carry them out.

#### Final Election Results by Party, Governorate

93LH0011A Aden AL-THAWRI in Arabic 27 May 93  
p 5

[Article: "Official 27 April Election Statistics"]

[Text] AL-THAWRI is unique in publishing this important statistical report, which reveals the number of votes recorded by party, organization, and independent candidates, as well as percentages of total votes cast by voters in the parliamentary elections of 27 April 1993, throughout the country.

The importance of this document lies in its clearly showing the true success attained by each party, whether in each specific governorate, or in the nation generally. Merely announcing election results in terms of number of districts would be incomplete, because it would not show the number and percentage of votes. AL-THAWRI stressed that in its last edition. On the contrary, it is logical to do this. In fact, this is what is meant by the success or lack of success in any electoral process, no matter what its scope or level.

By publishing these important election statistics, AL-THAWRI aims at publishing the truth, in the language of numbers, which is unique in the area of facts. It penetrates the obscurity that surrounds the officially publicized results of the 27 April elections.

Therefore, here is that document, without editing or interference, solely for the readers' information.

Official Results of 27 Apr												
Governorate	No. of Districts	Eligible Voters	Registered	Votes Cast	Absent	Socialist	Congress	Reform	Na'ib	al-Haq	Democratic Nationalist	Popular Forces
al-Amanah	18	287,214	205,626	165,408	40,218	24,760	61,892	41,267	1,698	1,838	-	134
Percent	-	-	-	-	-	15	37	25	1	1	-	-
Aden	11	223,161	133,316	113,610	19,706	67,423	8,080	7,412	493	-	351	-
Percent	-	-	-	-	-	51	7	7	-	-	-	-
Ta'izz	43	894,258	421,973	372,172	49,801	11,243	83,002	67,511	4,556	61	3,817	-
Percent	-	-	-	-	-	30	22	18	4	-	1	-
Lahij	12	263,102	126,288	101,300	24,988	80,503	3,159	1,424	321	-	-	-
Percent	-	-	-	-	-	80	4	1	-	-	-	-
Ibb	38	803,724	314,482	278,684	35,798	39,903	89,055	59,087	5,220	188	26	-
Percent	-	-	-	-	-	14	32	21	3	-	-	-
Abyan	8	166,732	83,422	69,632	13,771	37,504	13,280	3,164	34	-	-	55
Percent	-	-	-	-	-	54	19	5	-	-	-	-
al-Bayda'	10	200,918	70,986	59,648	11,328	15,084	14,668	13,994	3,881	236	-	83
Percent	-	-	-	-	-	25	25	23	7	-	-	-
Shabwah	6	135,175	53,663	43,581	10,082	18,654	8,738	1,894	291	-	-	84
Percent	-	-	-	-	-	44	21	4	1	-	-	-
Hadramawt	17	350,448	160,299	138,195	22,104	65,687	19,819	22,957	342	-	-	-
Percent	-	-	-	-	-	48	14	17	-	-	-	-
al-Mahrah	2	48,685	14,540	11,191	3,349	6,874	2,365	-	-	-	-	-
Percent	-	-	-	-	-	61	20	-	-	-	-	-
al-Hudaydah	32	703,341	311,326	261,125	50,201	41,790	107,979	42,429	5,175	39	6	31
Percent	-	-	-	-	-	16	41	16	2	-	-	-
Dhamar	21	435,818	162,355	134,041	28,314	16,300	42,598	29,863	3,912	664	205	364
Percent	-	-	-	-	-	12	32	22	3	-	-	-
Sanaa	26	745,312	288,928	236,241	52,687	27,572	78,694	44,798	7,064	1,404	-	1,074
Percent	-	-	-	-	-	12	33	19	7	1	-	-
al-Mahwit	8	168,953	60,396	51,852	8,544	1,064	21,613	7,751	2,921	32	-	-
Percent	-	-	-	-	-	2	42	15	6	-	-	-
Hajjah	23	473,929	168,742	144,398	24,344	16,474	55,420	23,252	15,036	329	76	170
Percent	-	-	-	-	-	11	38	22	10	-	-	-
Sa'dah	9	183,106	66,121	54,810	11,911	2,546	15,069	3,490	4,927	12,383	-	-
Percent	-	-	-	-	-	5	27	6	9	23	-	-
al-Jawf	2	46,190	14,797	11,533	3,264	1,940	2,689	2,660	266	788	-	-
Percent	-	-	-	-	-	17	23	23	2	7	-	-
Ma'rib	3	63,828	32,062	25,344	6,718	4,195	9,327	1,604	1,549	-	-	459
Percent	-	-	-	-	-	17	37	6	6	-	-	2
Totals	300	6,282,939	2,688,323	2,271,185	417,138	581,709	638,156	383,848	77,714	17,962	4,561	2,454

1993 Parliamentary Elections

Septem- ber	Unionist Grouping	Unionist Nationalist	Correc- tion	Popular Organiza- tion	League	Popular Socialist	Libera- tion Front	Nation- alist Front	Inde- pendents	Successful Inde- pendents	Prom- inent Inde- pendents	Democ- ratic Move- ment
504	-	2,814	237	-	827	16	-	-	16,970	10,299	-	-
-	-	2	-	-	-	-	-	-	10	-	6	-
-	1,352	1,101	53	127	437	-	592	-	19,565	-	7,770	21
-	1	1	-	-	-	-	-	-	17	-	7	-
-	-	23,076	78	-	228	-	44	38	23,382	2,046	18,140	-
-	-	9	-	-	-	-	-	-	9	1	5	-
-	-	1,518	-	-	628	-	545	-	6,900	-	5,214	-
-	-	1	-	-	-	-	-	-	7	-	5	-
-	-	2,006	93	-	3,209	63	-	93	43,029	13,512	21,144	-
-	-	1	-	-	1	-	-	-	15	5	8	-
-	97	1,129	-	-	349	-	37	-	11,019	-	2,928	-
-	-	-	-	-	-	-	-	-	16	-	4	-
-	230	1,399	-	-	126	-	-	841	4,340	1,556	2,946	-
-	-	3	-	-	-	-	-	1	7	3	5	-
-	-	-	-	-	1,636	-	-	-	5,359	-	4,935	-
-	-	-	-	-	6	-	-	-	13	-	12	-
-	-	48	-	-	1,818	-	113	-	11,543	2,482	8,843	-
-	-	-	-	-	2	-	-	-	8	3	6	-
-	-	-	-	-	-	-	-	-	466	-	1,321	-
-	-	-	-	-	-	-	-	-	4	-	12	-
-	-	5,891	-	-	321	-	-	739	19,553	4,966	23,070	-
-	-	2	-	-	-	-	-	-	7	2	9	-
-	-	483	-	-	609	-	-	705	24,976	2,548	8,196	-
-	-	-	-	-	-	-	-	-	19	2	6	-
-	-	967	5,284	-	368	-	-	1,371	27,637	6,536	21,982	-
-	-	-	2	-	-	-	-	-	12	3	9	-
-	-	-	53	-	86	-	-	-	2,630	7,781	7,691	-
-	-	-	-	-	-	-	-	-	5	15	15	-
-	-	350	-	-	2,389	-	-	14	15,005	-	13,752	-
-	-	-	-	-	2	-	-	-	10	-	10	-
-	-	80	-	-	-	-	-	-	5,973	6,327	2,679	-
-	-	-	-	-	-	-	-	-	11	11	5	-
-	-	74	-	-	46	-	-	76	2,860	-	-	-
-	-	-	-	-	-	-	-	-	25	-	-	-
-	-	-	-	-	-	-	-	-	5,632	-	2,578	-
-	-	-	-	-	-	-	-	-	22	-	10	-
504	1,679	50,836	5,797	127	14,982	79	1,321	3,767	256,860	49,655	112,589	21



**AL-SHARQ AL-AWSAT Interviews al-Shaykh al-Ahmar***93LH0013A London AL-SHARQ AL-AWSAT in Arabic  
4 Jun 93 p 5*

[Article by Hammud Munsir from San'aa: "Al-Shaykh Abdallah ben Husayn al-Ahmar to AL-SHARQ AL-AWSAT: Our Concern for Yemeni Unity Led Us To Support Pluralism"]

[Text] Despite the announcement of the formation of a new Yemeni Government, which included 25 ministers and four deputy ministers, consultations continued among the leaders of the three alliance parties (the Popular General Congress, the Socialist Party, and the Yemeni Coalition for Reform). This situation made it necessary to talk with Shaykh Abdallah ben Husayn al-Ahmar, speaker of the Yemeni Parliament, who is also head of the High Authority of the Yemeni Coalition for Reform, and the Elder Shaykh of the Tribes of Hashed.

However, even though there was a frank discussion of parliamentary issues and constitutional amendments, Shaykh al-Ahmar declined to discuss the ongoing consultations regarding the new government, because in his views, "the situation requires increased effort for closer cooperation among all existing forces for the sake of the national interest." Yet, he acknowledged the role of the opposition, both within and outside the government, as the most important aspect of democracy.

AL-SHARQ AL-AWSAT met al-Shaykh al-Ahmar in his new palace, an architectural gem, which combines the decorative arts of San'aa with the linear modern architecture. The shaykh inaugurated his palace on the occasion of the Holy feast of al-Adha. It was there that he received his guests, a well wishers mix of tribesmen, intellectuals, government officials, army officers, commoners, and young men.

The walls of the palace are of many colors representing the various stones of Yemen. These stones are spread along the Yemeni mountains from Sa'adah to Ta'z. What attracts attention in the reception hall, is a stone sculpture of two trees, one representing the tribal structure of Yemen starting from Hashed, to Bakil, Yam, Hamadan, Mazhaj, Kahlan, Humeyr, and Qahtan. The second tree represents the family of al-Ahmar, starting with the name of Shaykh Abdallah to that of his father, Husayn, then Nasir, Mabkhut, Salih, Muslih, Qasim, Ali, and Qasim al-Ahmar.

Following is the full text of the interview:

- In addition to you as speaker of the Parliament, there are three members of the Parliament who represent various parties and political trends (namely, the Popular General Congress, the Ba'ath Party, and the Socialist Party). How do you conceive working within the Parliament in light of such partisan and political diversity, and how to overcome any political pressure on the work of the Parliament as an institution?

Members of the Parliament, including the speaker, were elected directly from within Parliament, which represents various factions and organizations, in addition to the independents. And even though the members of the Parliament represent different views and trends, each member of Parliament represents the Yemeni people, and not merely his own party or region. Following that principle, the elections of the speaker of Parliament, as well as that of the members of the Parliament, were conducted by secret ballots inside Parliament and with the participation of other opposing candidates. Moreover, the three deputies to the speaker, namely, Mr. Muhammad al-Khadim al-Wajih of the Popular Congress, Dr. Abd al-Wahhab Mahmud of the Ba'ath party, and Mr. 'Ali Salih 'Abad Muqbel of the Socialist Party, represent three different political parties, each having its own views and beliefs. However, this does not mean that each one of us in the Parliament, has his own political agenda.

Ali Saleh Abad was appointed to the Parliament by consensus and not by voting as was the case with the other members. This gave the impression that the composition of the Parliament was a compromise. What is your comment?

By God, it was not 100 percent compromise. And even though there was some sort of prior understanding, there were free elections and free voting, and all the procedures were subject to the full democratic mechanism.

We hope that our presence, i.e., the four of us in the Parliament, would be complementary to one another. And God willing, we will put the national interest above that of the various political organizations. All members of Parliament are national figures, and they all care for the national interest to the point of siding unanimously with it, even if it conflicts with that of their own respective Party. God willing, may the national interest, and national unity, and national responsibility in the work of Parliament, be the goal of everybody.

- The current Parliament differs from the previous one in the fact that it includes parliamentary blocs such as "the Congress bloc, the Socialist bloc, and the Reform bloc,, as well as the independents and members of other political parties. Were these blocs able to organize themselves within the Parliament, especially that this latter took important decisions during the first week since its inception?

The majority of the members of Parliament belong either to the Popular Congress or to the Socialist or Reform blocs. Even the independents would eventually join these blocs. As to the parties represented in Parliament, no matter the proportion of their representation, they are entitled to oppose and to present their own views whether those views agree or disagree with those of the existing blocs. Constructive opposition is guaranteed; the democratic aspect should be preserved and given an opportunity even within the parliamentary blocs themselves. members whose views on certain issues differ from those of the majority, should not be repressed. The

opposition would be present, and if it were otherwise, then there would not be any democracy at all.

- But what is the importance of the opposition if it is not empowered to influence the decisions?

The opposition, notwithstanding its influence, is inalienable. It is one of those rights that cannot be taken away from its owner.

#### Parliamentary Legacies

- Are there any legacies left by the previous Parliament that ought to be preserved and adopted, and if yes, what are they?

There are, undoubtedly, certain accomplishments by the previous Parliament, as well as other positive aspects, which ought to be preserved and adopted, even though there is a difference between the composition of the first Parliament (established after the Yemeni Union) and the current one. The former was a compromise Parliament, established as result of a compromise agreement reached between the two previous governments, and on the basis of which the Union was established. Even the current Constitution is a compromise document, which is not quite relevant to the new developments of the present situation.

- Among the legacies established during the previous period, was the openness of the parliamentary sessions. This topic is currently the dominant talk on the streets of Yemen because the new Parliament has been in session for a whole week and yet, nothing about its deliberations was made public on TV or broadcast, as was the case with the previous Parliament. Is there any intention to do away with the openness of the sessions, or is it going to be preserved?

What happened during the first week of the Parliamentary sessions cannot be termed a blackout. We can rather say that the lack of openness during those sessions was not a deliberate policy. It was due to the lack of organization; it was a spontaneous mistake by the media. But there was nothing deliberate, we were not consulted on that issue. For that reason, openness would be part of the policy of the current Parliament. The only exception would apply to those sessions that are kept closed in the national interest or whose topics call for closed sessions.

Openness has many positive aspects, but there would have to be exceptions in the national interest.

- You said that the previous Parliament was a compromise. Is it possible to say that the current Parliament would set the foundations, not so much in its nature as such, but in the role it would be assigned to build the Yemeni state on a basis other than compromise, especially in the light of the constitutional amendments that await the Parliament in the coming days.

The current Parliament is the natural Parliament that followed an unnatural period. The transitional period was a period that was not natural. We can say it because

everything in it was transitional and temporary, including Parliament. And whatever occurred after the elections would be natural and basic, and would embody the building of the state in all its aspects.

#### Different Interpretations

- Some legal experts among the members of Parliament said that the Parliamentary Council was authorized by Article 88 of the Constitution to extend its mandate by 60 days, following the first session of Parliament, and to extend it by an additional 90 days according to Article 89 of the Constitution. So the implication was that by extending the mandate of the Parliamentary Council, the Parliament had breached the Constitution by giving something it did not own. What is your comment on such interpretation?

There are various interpretations of the laws and constitutions. Sometimes legal experts give different interpretations to texts. So in certain situations, the national interest requires some flexibility, as well as the search for a political solution. In our case, what took place stemmed from two comprehensive Articles of the Constitution, namely, Article 88, which authorizes the extension of the mandate of the Parliamentary Council by 60 days following the first session of the newly elected Parliament, and Article 89, which extends that mandate by an additional 90 days. So what we did was to combine the two articles because it became imperative to do so. In addition, we took advantage of the legal loopholes in the Constitution, as well as of its other articles.

- Did the constitutional amendments represent the crux of that interest and the political imperative you just mentioned, and were they responsible for the decision to extend the mandate of the Parliamentary Council?

What is not permissible is the breach of any article of the Constitution, exactly as is the case with the Muslim Law [Shari'ah]. The ruler used to come out with decisions that clashed with the text, but our action did not break any legal or constitutional law.

- Did Parliament receive a request to amend the Constitution, because this was one of the priorities presented to the Parliament and was related to the decision to extend the mandate of the Parliamentary Council?

Among the imperatives that led to the extension was the one you have just mentioned. This was intended to give time for the consideration of the proposed constitutional amendments.

- There was a suggestion to elect a Parliamentary Council instead of the extension of its mandate. Were there any possibility for the reelection of the Parliamentary Council or the election of a new one?

To elect a new Parliamentary Council or reelection the current one would have involved risks, which we had

better avoid. Such risks were political in nature and they would have created us a crisis that we were better off without.

- A document outlining a project for the constitutional amendments is currently circulating within the political circles, which are interested in public issues; was this document prepared by the three parties that are currently allied with the government?

No, it probably represents the views of the Popular Congress or the Socialist Party, but more likely the Popular Congress.

- In this case, what is the position of the Coalition for Reform regarding the constitutional amendments?

The reform has its own project. The important thing is that there is almost a consensus among all the existing forces whether inside the Parliament or outside it for the amendment of the Constitution and its improvement. Even the Socialist Party and the Popular Congress, which both had adopted the Constitution, admit it was no longer helpful for the coming period. The reason is that the Constitution was a compromise document designed for a transitional period, which had come to an end. And since there is almost a unanimous demand for constitutional reforms, the forthcoming deliberations and consultations would generate, God willing, one opinion on all issues.

#### **The Role of Parliament**

- Would the parties that are not represented in Parliament be allowed to present their demands concerning the constitutional amendments, or would it be restricted to the parties within the governing alliance?

All have the right to present their views whether they are in Parliament or outside it.

- In light of the composition of the current government, and since the question of reform has been transferred to the government, how effective a role would the opposition have outside the Parliament?

The role of the opposition cannot be repressed, nor could anybody be refrained from presenting a point of view.

- What laws would be reviewed by Parliament in the coming future?

On that subject, I, myself, have certain questions or rather clarifications concerning what was reported by AL-THAWRI, mouthpiece of the Socialist Party, as well as other papers, about my so-called proposal to modify the Education Law, mentioned in my inaugural address in Parliament. I have no idea where they got such information. Their purpose was either to invent something that was never mentioned, or to deliberately distort statements, even though my inaugural address did not refer to any law. What I said in that respect was during a press conference in answer to a question about education, when I said there are many laws that need revision including the one on education. But I cannot understand

why they singled out the Education Law since I gave it as an example and not as a target. I cannot figure out why they fabricated such a thing and from where they obtained such information.

- Does this mean there is no priority to review the Education law?

There are laws and there are forces that have demands concerning certain laws. As to the revision of the Education Law, it is the demand of the Yemeni Coalition for Reform.

- One of the comments on the previous Parliament was that its overseeing role was weak. To what extent would the overseeing role of Parliament over the Executive, especially the government, be encouraged?

The current Parliament is a legislative body elected by the people and it is expected to use all its powers, whether legislative, overseeing, and others. This is a fact and it is taken for granted. As already mentioned, the new Parliament differs from the previous one. This latter was an aspect, a ring in the chain of the transitional period.

- But in light of the agreement signed by the alliance of the three parties that constitute the largest force in Parliament and are represented in government accordingly, how could Parliament as an institution, exercise its mandate without being pressured? And is it possible to avoid the pressure of the alliance agreement on the role of Parliament as an overseer of government?

The alliance agreement should not affect the duties and powers of Parliament regarding its overseeing the government. In fact, the agreement among the alliance parties could protect the government from many infringements and other objectionable practices. Both, the alliance and the coalition would ease the work of government so as to enable it avoid the infringements and mistakes, thus protecting it from any criticism and heckling.

#### **Law And Traditions**

- Shaykh Abdallah al-Ahmar, between yesterday and today. We recall such a headline when you first presided over the Consultative Council (Parliament) in the early 1970's amidst a political reality quite different from today's. In addition, you are a national symbol and a well-known tribal figure. As we know, tribal traditions are the basis for jurisdiction among the tribes, as well as a means you yourself use to settle differences among the tribes. But today, you are heading a legislative institution whose main purpose is to legislate for a modern, civil society. How are you going to preside over the making of modern laws and at the same time rule by traditions within a tribal society? And how could we benefit from tribal traditions as another legislative source in Yemen?

There is no conflict between tribal traditions and the laws that serve the national interest and the public. As in



the case of Muslim laws (Shari'ah) and the existing tribal traditions in Yemen, there has not been any conflict between them, because there is nothing in traditions that clash with the written law. Moreover, traditions constitute one of the sources of legislation. Also, tribal traditions in Yemen had co-existed with Muslim Laws for 1,400 years.

From now on, tribal traditions would not clash with laws that serve the national interest and are inspired by Muslim Laws and teachings. There would probably be a complementary relationship between traditions and law, which would certainly ease the task of Government.

- You always rejected partisanship in the Consultative Council. However, currently in Parliament, you are fostering it and you are accepting the reality of the multiparty system. Was this the result of an intellectual development or was it the result of the political reality of the current phase?

This was the result of our concern for national unity and the restitution of union to Yemen, and the ending of division. My attachment and faith in unity made me accept the multiparty system. Moreover, pluralism was mandated by both the Constitution and the agreement to unify the state. In addition, the system in the south, with which the union took place, was a multiparty system. The national interest made us accept this fact for the sake of unity, which has always been the destiny of the Yemeni people and its dearest wish and yearning during the previous period.

- Based on the current situation, would the future trend continue toward pluralism as a belief and as a necessity of modern life, or would the trend be toward something different, a search for a different mechanism?

This is a subject upon which I cannot make any prediction nor can I answer it at this point.

- Is there any opposition within the coalition for reform?

Opinion and counter opinion are present even within one family.

- What is the truth about the presence of splinters and differences within the Yemeni Coalition for Reform?

I think I have already answered you, as well as other similar questions about this subject by denying the existence of such differences. And I would deny once more the existence of any splinters or differences or disagreement of any sort within the coalition. The only exception would be a disagreement of opinion over a given issue, and this is a natural fact.

#### The Importance of the Alliance

- Are you aware of any extremism within the reform?

There is no party that does not have its young extremists, but parties have also wise men. This applies to all parties whether inside or outside Yemen.

- It was said the elections asserted the importance of balancing the forces within Yemeni society among the Popular Congress, the Socialist Party, and the Coalition for Reform. What is being said is that the formation of the government took into consideration the balance of power within these forces themselves, in addition to the balance of power among these forces. To what extent did the Reform take this into consideration when choosing the ministers to represent it in government?

This rational does not exist within the Reform. And it did not occur to us to act according to your question. We have one belief, namely that the right man should be in the right place.

- During the consultations among the leaders of the alliance for the formation of the Government, were the regional and international factors considered when choosing the ministers?

There is a document entitled, "Document of Basic Principles for the Alliance Among the Congress, the Socialist, and the Reform," and it is signed by the leaders of all three parties. This document was at the time broadcast and published. It is quite inclusive and can answer your questions.

- As speaker of Parliament, what is your comment on the composition of the government, and does it reflect the expectations of the voters?

The next phase would encompass the coming five months, and would require everybody to work as a single team, while any shortcoming by one element or by one side would be complemented by the other side.

- Could we conclude from your comment that the political issues would still overshadow any other issue during the current period?

Yes, because the national interest overpowers other considerations.

- In the light of the current trend toward the merger of the Socialist Party and the Popular Congress into one new party, would you agree to join them if you were invited to, and thus return to the old formula of the Popular Congress before the union?

What is the new party?

- The one that would come out of the merger between the Congress and the Socialist.

You mean the merger....the union.

- Yes, if you were asked to join the projected party in a formula similar to that of the Popular Congress before the union [of the two Yemens], would you agree to join?

As far as we are concerned in the Reform, we don't feel the need to join such a project. But there is a need for both the Congress and the Socialist to join forces.

- Your election as speaker of Parliament gave people hope that a new era toward an improvement in Yemen's relations with its neighbors on the regional level, and with other Arabs in general, has dawned upon them. What contributions do you think you could bring in your capacity as head of the legislative body, in addition to the personal characteristics that you enjoy in this respect?

The will is present now, and it has always been present. There is a general desire within the Yemeni state and among all the officials, a desire present before and after the Union, to improve the relations of Yemen with its Arab neighbors, namely the Kingdom of Saudi Arabia and the countries of the Gulf. This desire springs from a vision, which is almost unanimous among all Yemeni officials, that it is in the interest of Yemen as well as that of its neighboring brothers, to foster good relations because we all live on the same soil, in the same region, the Arab Peninsula. And it is in our common interest to have special relations because we all share special characteristics.

- What is hindering the fulfillment of this desire?

Factors, which God willing, have disappeared and would disappear.

#### **Oil Output Expected To Reach 850 Million Barrels**

93LH009D Aden UKTUBAR in Arabic 22 May 93 p 7

[Text] Since the reunification of Yemen and during the past few years, the oil sector has been developing quickly; the number of companies working in the field of oil exploration has increased; the area under exploration has been enlarged; and investments in this vital resource for economic and social development has grown.

The number of companies with which partnership agreements have been signed has reached about forty, compared to not more than ten at the time of the Yemeni reunification in 1990. The area under exploration is now about 29,967 square kilometers, spread in several regions of the different governorates, while it had been concentrated in Ma'rib and Shabwah before unification.

In addition to the investments of private oil companies working in the republic, 1,428 million riyals have been allocated to the oil and metals sector by the national general plan for 1992.

Oil exploration and drilling is presently concentrated in Ma'rib, al-Juf, Janna, Shabwah, and al-Masila in Hadramawt; exploration is expected to be extended to new regions.

Sources in the ministry of oil and mineral resources indicate that present output is about 180,000 barrels daily from Ma'rib fields alone and is expected to increase

to 300,000 by the end of next September after production begins in the Wadi al-Masila fields in Hadramawt governorate.

Comparing last period's annual oil and gas output to the present and future output, Yemeni's annual output will increase from 690,504,000 barrels in 1990 to 850 millions by the end of 1993, according to the ministry of oil and mineral resources estimates.

According to the same estimates, the annual natural gas output is expected to increase from 1,948 million cubic feet in 1990 to 3,500 million by the end of the current year.

Oil exports are also expected to reach 55 million barrels by the end of 1993 compared to about 32,748,000 in 1990. Presently, the Ministry of Oil and Mineral Resources is carrying out a number of development projects in the area of oil exploitation and is preparing for the implementation of others.

One of the most important of these projects is that of natural gas exploitation; studies and preliminary estimates have proved that there are large gas reserves, estimated at about 15 trillion cubic feet.

Presently, discussions and negotiations are under way with specialized companies for exploiting gas both for domestic consumption and export. Negotiations include the building of pipelines to export sites, as well as establishments for gas liquidation, collection, and storage. Preliminary estimates for the cost of these projects range from 3 to 5 billion dollars.

Also presently under study is a project to establish a small oil refinery at the export port in Hadramawt governorate in order to provide this governorate and the two governorates of al-Mahrah and Shabwah their oil product needs. Because the Aden refinery is old, it is not possible to increase its capacity, and the refinery is expensive to operate; therefore, a number of technical and economic studies to modernize and develop it are being prepared. The necessary sources for financing this project are still being sought.

According to the economic and technical studies that have been prepared, it is expected that the local private sector will establish a number of factories in some governorates for the refining and production of oil.

A French consulting firm has also prepared an economic and technical study for the storage and transportation of oil products; a source of financing is being sought. Because of the size of this project it will be implemented in stages, according to the necessity and importance of each stage.

There is also a project for studying oil and gas reserves in those regions of the republic where oil has been discovered. An agreement to carry out this study has been signed with a specialized firm at a cost of one million dollars and is to be financed by the World Bank.

## BANGLADESH

### Hope Seen for Political Settlement of Tribal Insurgency

BK2207141593 Dhaka THE BANGLADESH OBSERVER in English 16 Jul 93 p 5

[Editorial: "Permanent Solution To CHT (Chittagong Hill Tracts) Problems"]

[Text] The outcome of the 4th round of talks between Bangladesh government and PCJSS [Parbottya Chattagram Jana Sanghati Samity—Chittagong Hill Tracts People's Solidarity Council] just concluded at Khagrachhari [district] comes as a welcome relief after years of pain and carnage. The trouble in the Chittagong Hill Tracts (CHT) goes back to the mid-seventies and a permanent peace has long been overdue. Looking back over their shoulders Shanti Bahini [tribal insurgents] leaders would have more convincing grounds to end the bloodshed than ever to revert to.

Their mission of violence kept alive for so long will, in retrospect, be found to be a long-drawn exercise in utter futility. Politically or in any other sense the sum total of the gain made by them has been all but nil while the loss suffered by them and inflicted on their fellow nationals in the Hill Tracts has been, most avoidably enormous.

It therefore comes as a great relief to us as a newspaper as well as to political and intellectual quarters in Bangladesh that better sense seems to have prevailed and the Shanti Bahini leadership has come to realise that peace is better than war, and love than hate. We also feel reassured that the talks were carried on in 'an extremely cordial atmosphere' as reported by Mr. J.B.P. Larma, leader of the Shanti Bahini team. We also share the hope expressed by him for a 'lasting solution to the CHT problems.'

Considering, the subjective and objective factors involved in the process of negotiation carried on so far, and those emerging in the wake of the fourth round, the necessary setting for a viable peace has been provided: the Bangladesh government's package of rehabilitation facilities offered to returning refugees has been as just and generous as could be hoped for. From the assurance of cash relief of Tk.[Taka] 10,000 for each returnee plus financial and material help offered and promised towards housing, education, and reemployment plus financial assistance through the remission of agricultural loans etc are among the most deserved considerations from the government side for them.

The peace and conciliation spirit has been manifest in the extension of the ceasefire till October and of amnesty till December. In fact so far as the administration is concerned it looks prepared to go all out to make the returnees feel most at home in their places of origin, providing them with all possible amenities it is capable of. In fact the administration cannot do too much to those who would opt for peace and resettlement and reconciliation, and to return to their permanent domicile.

If such facilities and amenities will, quite rightly be made available to them (returnees) their reintegration in the overall political and economic life of the region will be as important both for themselves as bonafide citizens of the country as well as for the local and central administration to see to it that the integration is achieved as a matter of course.

One also notes with encouragement that the fifth round of talks will be held within September 20 this year at the same place. Now that a propitious background has been laid both for the talks to go ahead constructively and fruitfully, the job of the fifth and, let us hope, the final round will be to round off the process of negotiations with the same spirit of cooperation, sorting out all minor or major details that remain the repatriation of tribal refugees.

Needless to say the question of repatriation of refugees is quite obviously tied to the overall question of political settlement now in sight between the government of Bangladesh and Shanti Bahini. We wait to see this long saga of pain gracefully end to everybody's relief.

The Khagrachhari meeting also reviewed the five-point and thirteen-point demands of the Shanti Bahini and the Tribal Refugees Welfare Association. Given increased understanding between the two sides and what may be called a revived sense of reality and compromises all for to make peace a durable future prospect, nothing need stand in the way of a permanent and viable peace in the trouble-wracked CHT.

## IRAN

### Japan To Help Fund Karun 4 Dam Construction

93LA0105E Tehran ABRAR in Persian 30 May 93 p 4

[Text] Economic Service. Based on Paragraph Z, Note 29 of the Islamic Republic of Iran's First Five-Year Economic, Social, and Cultural Development Plan, to make use of water resource capacities and the nation's manpower and to build several dams, including the Karun 4 Dam, the government has been authorized to make use of long-term financial credit.

With regard to the procurement of the necessary foreign exchange financial resources to build the Karun 4 Dam, talks began two years ago between the Government of the Islamic Republic of Iran and Japan, and after comprehensive economic, technical, and financial studies on the aforementioned project by the two parties, finally Japan agreed to provide the Islamic Republic of Iran with the foreign exchange credits needed to build the Karun 4 Dam, which is more than 154 billion yen, to be paid in three parts appropriate to the progress of the project by the Japan Overseas Economic Cooperation Fund (OECF).

The public relations office of the Ministry of Economic and Financial Affairs reports that after several months of intensive talks by experts from the Ministry of Economic



and Financial Affairs, the Ministry of Energy, and the Ministry of Foreign Affairs, the relevant contracts were written.

The note of mutual understanding pertaining to the use of the aforementioned credit was signed today (3/8/1372 [29 May 1993]) by the foreign minister of the Islamic Republic of Iran and Japan's Ambassador to Tehran, and the pertinent contract will be signed this week by the fully authorized representative of the Ministry of Economic and Financial Affairs in Tokyo.

The cost of building the Karun 4 Dam is estimated at about \$1.2 billion and 443 billion rials. The Government of Japan will provide the Government of the Islamic Republic with all the foreign exchange needed for the project with funds from the Japan OECF in the framework of three credit contracts.

The credit means from the Japan OECF are of the preferred type and only 3 percent commission is added to them annually. The period of repayment of principal and commission is 25 years and will begin after a seven-year grace period.

#### **Over 800 Arrested for Not Observing Islamic Garb**

93LA0108D Tehran SALAM in Persian 24 Jun 93 p 2

[Text] Tehran—IRNA. The commander of the greater Tehran police precinct accused the Western media of making propaganda misuse of this force's dealings with the manifestations of corruption.

Yesterday (Wednesday) Brigadier General 'Abdollah 'Oqba'i gave an interview to IRNA. He said: Reminding people who do not observe social and religious mores and standards in their attire is a responsibility the law has given to the police.

In the law that was implemented in Iran at the beginning of the decade of the 1360s [21 Mar 1981], clothing types for women and men and the limits on adornments for women were established based on the religious and social beliefs of the great majority of the people, who are Muslim.

Brig. Gen. 'Oqba'i added: This week in greater Tehran, where more than 10 million of Iran's total population of 60 million lives, 802 men and women were arrested for improper dress. Of this number, 785 were released immediately after expressing regret, and several other people who went to court were also released after promising to obey regulations.

Brig. Gen. 'Oqba'i strongly denied reports from AFP and BBC radio that agents used force to arrest improperly dressed men and women. He asked the representatives of these two agencies in Tehran that if they can document what they reported they should give the information to him so that he can deal with the errant individuals.

The commander of the greater Tehran police precinct said that to prevent any kind of possible violation, special patrols and undercover agents are carefully

supervising the work of agents in the campaign against social corruption, and the undercover agents have given no reports of agents resorting to force.

#### **Minister Comments on Nation's Electronics Industry**

93LA0105B Tehran ABRAR in Persian 25 May 93 p 4

[Text] The second electronics conference, entitled: "The Role of Electronics in the Nation's Economic, Social, and Cultural Development," began yesterday [24 May] at Shiraz Electronics Industries.

IRNA's correspondent reports from Shiraz that Engineer Ne'matzadeh, minister of industries, spoke at the opening of this conference. He said: Despite the growth in the nation's electronic industry in the last few years, this industry still has not reached an appropriate position.

He said: The share of electronics industries in the gross national products of the industrial nations is two to five percent, while at the end of the First Five-Year Plan, this industry's share in our nation's gross national product was one-fourteenth of one percent.

He added: The nation's current market for the electronics industry is more than \$1 billion, meaning about one-twentieth of our foreign trade, and this volume of foreign trade clarifies the necessity for attention to the electronics industry in the economic dimension.

#### **Administrative Body Views Industrial Expansion**

93LA0105D Tehran ABRAR in Persian 27 May 93 p 10

[Text] News Service. The procedures for granting the necessary means to invest to create industrial units were discussed and studied at the 42d meeting of the Supreme Administrative Council, chaired by Mr. Hashemi-Rafsanjani, president of the republic, and attended by other members and ministers from the ministries, along with officials from the relevant organizations.

The president of the republic's Public Relations Office reported that at this meeting, the number of necessary authorizations to create industrial units will be restricted to two authorizations, including authorization to build and authorization to operate. The authorities issuing the industrial authorizations will prepare and announce a list of priorities and regulations for production and industrial service activities. If the projects proposed by applicants conform to the pertinent regulations, they will issue the authorization to establish in no more than seven business days.

Production and industrial service activities will be unregulated except where prohibited by law, and the authorities issuing industrial authorizations are required to create an industrial database in order to present the necessary information and guidance to applicants.

Likewise, the Environmental Protection Organization and the Ministry of Labor and Social Affairs must

announce the obligatory rules and regulations concerning location, method of operating and labor protection and health care to the authorities issuing industrial authorizations in order to make applicants aware of the aforementioned regulations. Likewise, the Environmental Protection Organization must supervise the implementation of obligatory environmental regulations during the establishment of industrial units, and if it observes violations and the failure to correct them on the part of the industrial unit, the necessary steps will be taken by the legal authorities.

According to the same report, as the meeting continued it was also decided that the banks granting the means should also be required to study the applications in view of the economic justification for the proposed project within the framework of policies approved by the Money and Credit Council and to announce the required answer in no more than two months. If it agrees, the means will be paid in installments to qualified applicants. To expedite the payment of means to applicants, the creation of units for the contract to transfer land and other documents issued by the transferring legal authorities will be treated as security.

Likewise, the Ministry of Industries was also required to establish a timetable for procuring the infrastructure resources approved by the appropriate ministry before presenting proposals to create new industrial villages to the Council of Ministers, and in this framework the appropriate ministry is required to cooperate with that ministry.

The National Documents and Registry Organization is required to issue on a priority basis and in no more than three months the deeds of ownership for the land belonging to the Iran Industrial Villages Company, for the approved industrial precincts, and for the lands for those industrial units located outside the industrial villages and in approved industrial areas.

As the 42d meeting of the Supreme Administrative Council continued, on the recommendation of the National Administrative and Employment Affairs Organization and to reform work procedures in the National Documents and Registry Organization, it was decided that issuance of the relevant documents concerning minutes of a meeting and the procedure for dividing a building will take place in no more than five days (seven days for Tehran), documents for ownership of a building (given in Article 22 of the Registry Law) in no more than two days (three days for Tehran), documents for amending deeds of ownership (given in the guidelines for Article 149 of the addendum to the Registry Law) will be submitted to the interested party in no more than six days (eight days for Tehran) and documents for duplicate deeds of ownership will be submitted to the interested party within 20 days after receipt of the lawful documents. If there are legal obstacles to the activities pertaining to any one of these procedures, all registry units are required to notify the applicant within the designated period of time.

As this meeting continued, the project to evaluate government workers was studied, and continued discussion of it was deferred to the council's next meeting.

#### **Funds Allocated for Airport Construction, Renovation**

*93LA0107A Tehran ABRAR in Persian 25 May 93 p 9*

[Text] Zahedan—Central News Unit. This year more than 82 billion rials credit will be spent on building, renovating and rebuilding the nation's airports.

This statement was made by the deputy for engineering and buildings from the National Airline Organization at a radio, television, and print media press conference in Zahedan. He added: The credits allocated will be used building the International Imam Khomeini (peace be upon him) Airport in Ardebil, Tabas, Ilam, Zanjan, Shahr-e Kord, Yasuj, and Arak and for improving and renovating the airports in Zahedan, Tabriz, Mashhad, Mehrabad, Shiraz, Khorramabad, Urmia, Abadan, Ahvaz, Kermanshah, Hamadan, and Sanandaj.

He discussed the fact that in the Second Five-Year Plan special attention has been given to building and developing airports. He said: The National Airline Organization has decided to improve navigational equipment and increase the flight capacity of the airports by making use of assistance from the public. The deputy for engineering and buildings from the National Airline Organization mentioned the improvement and development of runways at the airports in Zabol, Iranshahr, Zahedan and Chahbahar as examples of the development projects being implemented by this organization in Sistan va Baluchestan.

He added: To increase the technical awareness of the personnel at the province of Sistan va Baluchestan airports, a one-year class with 32 ethnic students studying ground security was held. In conclusion the deputy for engineering and buildings from the National Airline Organization announced: Soon 27 organizational houses for the National Airline Organization, each with a foundation of 110 square meters, will be in use in Zahedan.

#### **Cooperatives Criticized for Not Paying Taxes**

*93LA0108E Tehran SALAM in Persian 22 Jun 93 p 15*

[Text] Tabriz—SALAM Correspondent. At a press conference, the executive director of economic and financial affairs in the province of East Azarbaijan severely criticized the failure of the regional cooperatives to cooperate in the payment of taxes. He said: About 50 percent of the taxes assessed by auditing experts were not deducted, but we were still faced with nonpayment. In view of the guidelines from the ministry in this regard, we will deal with this decisively and legally.

In discussing this matter, he said: We officially invited 40 of the existing guild cooperatives in the province to meet with us, and during 48 official meetings we held together, we made the cooperatives themselves responsible for setting, organizing and assessing the taxes on

their members, but unfortunately there was no corresponding action. We even established a formula that is to the government's disadvantage where the taxes for the year 1368 [21 Mar 1989-20 Mar 1990] will be calculated taxes for 1369 [21 Mar 1990-20 Mar 1991] will be 30 percent more, the taxes for 1370 [21 Mar 1991-20 Mar 1992] will be 10 percent more, the taxes for 1371 [21 Mar 1992-20 Mar 1993] will be 10 percent more. In our province the cooperatives have not yet accepted this formula, and we hope to be successful.

He also announced: Despite the fact that tax assessment slips have not yet been distributed for the year 1371, and the accounts for the year 1370 will be completely settled, in our province, because of this same failure to cooperate, the tax assessment slips for the year 1370 have not yet been distributed.

He also announced that last year each merchant in the province of East Azarbaijan paid an average of 5,200 tomans in taxes. He said: The average tax paid in the province of Bushehr was 20,600 tomans, in Kermian 17,400 tomans, in Tehran 25,000 tomans, in Kohkiluyeh va Boyer Ahmad 24,200, and in the provinces of Kordestan and Sistan va Baluchestan, which are among the most deprived provinces, the average tax was 7,200 and 20,300, respectively. Thus, the province of East Azarbaijan ranks number 24 in terms of taxes collected.

He then explained that during times of the nation's growth and economic development, the government's tax revenues must be equal to the government's costs. He said: Last year more than 65 billion tomans credits was allocated to the province of East Azarbaijan for the province budget, all of which was distributed within the province. On the other hand, 5.4 billion tomans was collected from all tax sources.

He also mentioned Note 6, Article 100. He said: I expect the unions and the guild societies to cooperate in identifying members to the General Finance Office. He added: So far, we have been tolerant for about eight months, and if there is no cooperation we will deal with the matter decisively and legally.

He answered questions from reporters about the amount of taxes in the province, declaring that the amount has not been specified. He said: 45,000 tax statements have been distributed in the province, of which 1,904 have been filled out and returned to us. Of these, 603 were from the city of Tabriz.

He was asked by SALAM's correspondent about the inability and lack of executive power to collect taxes in the province. He answered: We can obtain various mechanisms to collect taxes. For example, we barred several merchants from leaving the country who did not pay their taxes after several reminders. We have the power to arrest individuals and lock and seal their automobiles, but so far we have been lenient on these matters.

He also added: A proposal was made to the Majles that the funds for the approved development budget for each

province should be designated and procured in that same province, meaning that a development budget will be approved for each province that is equal to the whatever taxes each province collects. If this happens, in view of the lack of cooperation by the people, the guilds and the tradesmen in the area of paying taxes, the development situation for the province in the future is unclear.

In conclusion he announced that if the guilds keep their accounts current a significant discount will also be given.

### **Twelve Hundred Projects Become Operational**

*93LA0108N Tehran SALAM in Persian 24 Jun 93 p 2*

[Text] News Service. During Reconstruction Crusade Week, with operations beginning on 1,200 projects throughout the country, more than a half million people in the country will benefit from development, animal husbandry, industrial, rice-growing, water project, and reconstruction crusade promotional activities.

The public relations office of the Ministry of the Reconstruction Crusade reports that the most important measures taken by the reconstruction crusade during Reconstruction Crusade Week include opening water delivery projects to 609 rural families in the district of Zanjanrud at a cost of 130 million rials [Rls]; the opening of the brick-firing plant, with annual production of 18 million bricks using credits of Rls220 million; the Halil Abad cheese plant, with an annual production capacity of 40 tons and using more than Rls7.5 million credit in the province of Zanjan; the opening of the Qandilu Water Delivery Project for the use of 250 families; the Halq rural bath house for the use of 250 families; water delivery to the villages of the municipality of Kalibar for the use of 330 families; a rural education center for National Region 3, including the provinces of East Azarbaijan, West Azarbaijan, Ardebil, Zanjan and Gilan, at a cost of Rls110 million; the pasteurized milk cheese factory with the production of 60 tons of milk; and the Center for Selective Breeding for the north-western and western parts of the country in the province of East Azarbaijan.

The opening of reservoir projects in the Zahedan precinct, the holding of gatherings of the Islamic councils, the rural festival in the province of Sistan va Baluchestan, the livestock quarantine post, the formation of cooperatives for the forest-dwelling people of Sowme'e Sara, providing electrical service to 1,269 families using Rls794 million credit, providing water service to 4,319 families at a cost of Rls1.73 billion, nine rural industries factories in the areas of rice farming, fish powder, ceiling tiles, block beams, mosaic making, sack weaving, and opening a library, a reciprocal help house and a promotional house with credits of Rls150 million in the province of Gilan are other things the Ministry of the Reconstruction Crusade has done during Reconstruction Crusade Week.

In addition to the instances mentioned, one can mention providing electrical service to 24 villages in the province of Kordestan, the opening of 10 rural industries factories



with Rls328 million investment in the province of Fars, the opening of a cheese company in Gonbad with an annual production capacity of 213 tons, the opening of nine rural industries factories in the province of Kohkiluyeh and Boyer Ahmad, the opening of six health clinics with Rls97 million credits, the opening of six fish growing stations with Rls67 million investment and an annual production of 35 tons, three industrial chicken farms with annual production of 350,000 chickens, the construction of six schools with credits of Rls203 million in the province of West Azarbaijan, the creation of three reciprocal help and promotion houses in the province of Mazandaran, the implementation of the Project To Preserve and Revitalize Lands with Rls330 million credits in the province of Chahar Mahal va Bakhtiari, the opening of the poultry and cattle unit in the province of Semnan, the opening of the seed drying factory in the municipality of Gorgan, the opening of the selective breeding and sheep center in the northeast part of the country, the creation of 16 rural industries workshops in the province of Khorasan, and the opening of region 10 of the Feed Company, including the province of Khuzestan.

It is to be noted that the naming of the national model village and tribal area, the holding of the seventh rural arts and literature festival, the holding of the first specialist exhibition for livestock affairs and naming the reconstruction crusade's model researchers and scholars are other measures taken by the Ministry of the Reconstruction Crusade between 21-27 Khordad [11-17 Jun].

#### **Farmers Refuse To Buy Fertilizer Due to High Price**

93LA0105A Tehran ABRAR in Persian 27 May 93 p 4

[Text] Khorramabad—IRNA. About 10,000 tons of uric and phosphate chemical fertilizer is stored in the warehouses of the province of Lorestan, and farmers are refusing to buy it because of its high cost.

Baharvand, an official with the fertilizer and pesticides division of the province of Lorestan, said at the latest meeting of the Provincial Agricultural Council: This year, due to the increase in the price of chemical fertilizer, Lorestani farmers have shown no interest in buying chemical fertilizer, and this has caused the fertilizer to pile up in the warehouses of the Agricultural Office.

Mr. Baharvand added: So far no fertilizer or pesticide has been sold by the Agricultural Office, and sales this year compared to last year are at zero.

A comparison of the prices of various types of chemical fertilizer this year with those of last year shows a striking increase in these prices. For example, the price of a 50-kg sack of phosphate fertilizer compared to the period mentioned increased from 1,100 rials [Rls] to Rls1,225, uric fertilizer increased from Rls950 to Rls6,400, nitrate ammonium increased from Rls875 to Rls4,500, sulphate potassium increased from Rls1,000 to Rls1,650, and sulphate ammonium fertilizer also increased from Rls765 to Rls11,500.

#### **Pollution Threatens Qareh Su River Marine Life**

93LA0107B Tehran ABRAR in Persian 30 May 93 p 2

[Text] Gorgan—IRNA. To prevent the pollution of the Qareh Su River by household and industrial sewage, it is necessary to take steps to control the environment in this river's basin.

According to an environmental expert, the fresh water area of the Qareh Su River is a major spawning ground for the Caspian Sea's caviar-bearing fish. In the last few years, because of the pollution arising from household, industrial, and agricultural sewage, the fish losses have been huge.

He said: The most important element in the pollution is toxins from pesticides used on fields in the southern lowlands of the Qareh Su River, which have been carried to the river by rains.

He discussed the entry into this river of household sewage and public bath water from the municipality of Kordkuy via the Ghaz Mahaleh River. He added: Sewage from oil press and flour mills has been an additional cause of pollution, and in this regard we must make use of special industrial procedures for processing sewage.

He emphasized the need to implement projects giving basic guidance to sewage and to control it, and called for the installation of a chromatograph device to measure toxins at the Gorgan Regional Environmental Office.

#### **Letter Warns Against Further Dumping of Waste**

93LA0107C Tehran ABRAR in Persian 31 May 93 p 9

[Text] The coastal municipality of Rudsar has one of the most beautiful sandy beaches on the Caspian Sea. Apart from the beauty of this beach, based on expert and scientific studies, the sea bed in this area is divided into shallow and deep areas, and each part of the sea is separated from the other parts by a sand hill called *Poshteh*. In addition to this, the unique characteristics of the shoreline in this area have meant that a high percentage of the potential capability of fishermen during the fishing season has been put to use. Every year significant quantities of liquid petroleum materials from this area are brought into the consumer market for our compatriots, but unfortunately, because of lack of familiarity with the area, failure to look to the future, as well as the lack of suitable planning to make best use of these beaches, we are seeing one of the most beautiful sand beaches on the Caspian Sea polluted with garbage from the municipality of Rudsar, and there is no doubt that this is natural God-given wealth for the people, whose preservation is the responsibility of the people.

Unfortunately, the volume of various kinds of polluted waste and the toxins from that, which become broken up and dissolved in areas near the waters of the sea, have polluted the surface water adjoining the coast and then merged with the sea water itself. In the near future we will be seeing countless environmental disasters.

It is strange that the distance between this waste dumped on the Rudsar beach and the healthy part of the sea water is about 100 meters, and in view of the countless conferences and meetings that have been held to talk and sloganize about saving Iran's environment, what responsibility have the officials of the Ministry of the Interior, the mayor's office and the officials of the province of Gilan taken on for this indifference towards polluting one of the most beautiful beaches of this sea? Why should the garbage from a city of 200,000 be used so casually to destroy the most beautiful beach in the area, while all the observers keep silent? Where is all that concern and sensitivity about future generations and God-given wealth?

I ask all the nation's officials and insiders, especially the respected governor-general of Gilan and the Gilan and national environmental affairs offices, to hasten to the aid of the Rudsar beach as soon as possible, for tomorrow will be too late!

#### **Harvest of Wheat, Barley Begins in Tehran Province**

*93LA0108M Tehran SALAM in Persian 24 Jun 93 p 2*

[Text] Through the use of 250 combines, the task of harvesting the wheat and barley crops on 140,000 hectares [ha] of land in the province of Tehran began.

At ceremonies yesterday morning (Wednesday) held for this occasion and attended by insiders in the Tehran Province Agricultural Organization and farmers in the Feshapuyeh area of the city of Rey, 9,743 kg of wheat per hectare was harvested from a farm operating under the Wheat Project.

In this regard, it is expected that in the current agricultural year a total of more than 260,000 tons of wheat and 220,000 tons of barley will be harvested.

Engineer Rowhani, an official with the Tehran Province Agricultural Organization, said to IRNA's correspondent in this regard: Currently 53,000 ha of the land in the province of Tehran is under the mantle of the Wheat Project, and according to the views of experts, an average of 4,300 kg of wheat can be harvested from each cultivated hectare.

He added: The wheat crop in the province of Tehran, unlike that in some other provinces, is free of the wheat rust parasite.

He discussed making good use of resources to harvest wheat. He said: The management of the Tehran Province Training and Propagation Office has mobilized eight strike groups to supervise the work of the combines. Their job is to supervise the wheat and barley harvest to minimize spillage and losses of the crop.

Continuing, he added: In the next agricultural year, which is the last year of the implementation of the Wheat Project, all the farms in the province of Tehran will be covered by this project.

Engineer Haji Ashrafi, manager of urban agriculture, also said: In the current agricultural year, 7,100 ha of land in the municipality of Rey were covered by the Wheat Project, and in view of the rich soil in this area, the production yield was high.

He also said: Concurrent with the wheat and barley harvest in this province, the planting season for feed seed begins. In this regard more than 17,000 ha of land in the province of Tehran will be planted for this crop, and it will be possible to harvest an average of about 70 tons of feed seed per hectare to be used for animal husbandry.

He said: In the city, 8,000 ha of land is allocated for growing feed seed.

#### **Thermal Power Plant Construction Activities Detailed**

*93LA0105C Tehran ABRAR in Persian 29 May 93 p 4*

[Text] Economic Service. Unit One of the Hamadan Thermal Power Station, all of whose construction work was done by domestic companies, will begin operating with a capacity of 250 megawatts [MW] by the end of the current year [20 Mar 1994].

Engineer Biyuk Bahemmat, executive officer of the power plant project, gave a press conference Thursday afternoon at the power plant site, in which he stated the above. He said: The Hamadan Thermal Power Plant, with a capacity of 1,000 MW, includes 4 250-MW units and is being built on a 272-hectare site 44 km from the municipality of Hamadan.

He added: The first fuel for this power plant is natural gas supplied by a 16-inch pipe connected to the power plant from the national gas line. This gas is pressurized in two phases and finally at 70 psi [pounds per square inch] it is burned at the steam boilers. The project's second fuel is mazut 2,000, which must be hauled to the plant by tanker at a place provided for unloading fuel. There are facilities for unloading 20 tankers simultaneously and for heating 20 other tankers, and finally the fuel is kept in storage tanks. The water needed, in the amount of 2,400 cubic meters per hour, is obtained at a site 6 km to the south of the power plant adjacent to the seasonal Qareh Chay River.

Engineer Bahemmat also said: The Hamadan Power Plant Project is being built generally without a key in hand. To obtain the equipment, various contracts have been signed with the world's prominent contractors through international bidding, and after the opening of the relevant credit most of the equipment was purchased and brought into the plant. Some of the equipment was also procured through domestic producers using their empty production capacity. He added: In general the plant's equipment was procured with more than 30 domestic and foreign contracts and more than 50 orders, and the procurement of the remaining equipment is under way.

Engineer Bahemmat added: The basic construction work was done by the Iran Industries Development and Establishment Construction Company, and the plant's tall chimneys were built by the Jihad Silo Development Company. The installation of the auxiliary steam boilers was done by the Azarab Company, and the systems for water collection and transfer were installed by the Iran Pump Company.

Engineer Abol-Fath Kiyumarsi, deputy plant superintendent for executive and supervisory affairs, said to news reporters: Already 2,300 people are employed in various parts of the power plant, 200 of whom are engineers and technicians, and the services of 15 foreign engineers are also utilized.

Kiyumarsi added: The total weight of the power plant's equipment is estimated at 60,000 tons, more than 90 percent of which was shipped to the plant.

The plant's executive deputy added: Sixty-eight percent of the plant's construction work has been completed, and the general progress of the construction and installation operations at Unit One is at 65 percent. He added: To manage this plant, which will be put into full service in the year 1373 [21 Mar 1994-20 Mar 1995], 394 engineers and technicians will be needed, one-third of whom will be procured for Unit One. To the extent possible, native engineers and technicians will be used.

ABRAR's economic correspondent asked the project's executive officer what problems he faced in the implementation of this project.

In answer, Engineer Bahemmat, the project's executive officer, answered: This year 58 billion rials has been allocated as the budget to start up Unit One, which may be the highest budget in the Ministry of Energy, and this must be spent this year. If the cash is available to us in time, we will have no financial problem. The project's executive officer said: Another of our major problems is the problem of gas fuel for the power plant. The plant's main fuel is expected to be gas, and the second fuel will be mazut. If the officials in the Gas Company keep their promise to install 29 km of gas line to start the gas station, the main problem with regard to fuel will be solved.

One of the correspondents asked Engineer Bahemmat about this plant's useful life. He answered: These kinds of plants will operate for about 30 years, and if they are maintained properly, they will last even longer.

At the same press conference, Engineer Amanollah Niknafas, the project's technical deputy, Engineer Vafa'i, director of the Qods Power Company Project, and Engineer Ru'ufi, chief of the Qods Power Company Plant, gave explanations to reporters about the Hamadan Thermal Power plant.

### Fifty Electric Companies Transferred to Private Sector

93LA0108G Tehran SALAM in Persian 23 Jun 93 p 14

[Text] Mashhad—IRNA. With the transfer of the production, distribution, and repair of the electrical industry to the private sector, along with a personnel adjustment, the Ministry of Energy's activities in the electrical sector will be reduced.

Dr. Mir Mohammadi, deputy minister of energy for electrical industry administrative finance, gave an interview in Mashhad yesterday, Tuesday, with IRNA's correspondent. He said: In the long run this will reduce electrical industry costs and the cost of producing electricity.

He added: So far 50 companies have been transferred to the private sector in the areas of utilizing, producing, distributing, transporting, and subsidizing activities repairing power stations under the general category of the electrical industry in various parts of the country.

He announced that some of these companies have gone from showing losses in the past to making a profit. He added: The reason for this is that the private sector is motivated to have better efficiency and to make the best use of the equipment in the electrical industry in order to increase labor resources.

Dr. Mir Mohammadi said: For this purpose, and with a revision of the Ministry of Energy's supervisory structure for the purpose of monitoring and supervising the activities of the companies operating the power stations, the task of guarding national capital in the electrical industry will be fulfilled.

He added: These companies use their own domestic and foreign resources for current affairs with regard to credits and also to meet their equipment needs.

The companies formed in this regard and their personnel were managed in the past by the Ministry of Energy.

According to this report, the Seminar To Study Administrative and Employment Affairs in the Private Companies Managing the Nation's Electrical Production opened yesterday in Mashhad.

The participants in this seminar will spend four days studying the administrative, financial and domestic affairs of the companies based on the Labor Law and the educational programs needed by the personnel.

### Thirty Million Hectares of Grazing Land Set Aside for Husbandry

93LA0108H Tehran SALAM in Persian 23 Jun 93 p 14

[Text] In the national Five-Year Economic Development Plan, 30 million hectares [ha] of the nation's surveyed grazing land will be turned over to animal husbandry workers in the framework of pasture-keeping projects.

Engineer Ashrafi, general manager of the National Pastures Technical Office, gave an interview in Urmia to IRNA's correspondent. In announcing the above, he



added: In the first Five-Year Plan, 5 million ha of the nation's pasture lands was surveyed, and so far 2.5 million ha of that has been transferred to interested animal husbandry workers.

He said that this year's credits in the pastures sector is 20 billion rials. He added: These credits will be spent to prevent the destruction of pastures and to revitalize them.

He said that the return on the nation's pastures is 20 million tons of dry feed per year. He added: If we can increase the return from the pastures to 30 million tons of dry feed, not only will we have no need to import meat and dairy products, but we will be able to become an exporter of these items.

He discussed the efficiency of this project in revitalizing pastures. He said: With the implementation of this project, a pasture that only produced 200 kg of feed per hectare in 1368 [21 Mar 1989-20 Mar 1990] increased its yield to 500 kg, and this is an acceptable figure.

In part of this interview, he discussed the situation with the nation's pastures. He added: 70 million animal husbandry units feed on 90 million ha of the nation's pastures, and this is three times the normal capacity of the pastures.

He added: Because of this pressure, one to 1.5 percent of the nation's pastures is destroyed and 2.5 million tons of pasture topsoil is washed away, and this is the highest rate of destruction among the Asian nations.

#### **Thousands of Hectares of Wheat Damaged by Rust**

93LA0108K Tehran SALAM in Persian 24 Jun 93 p 15

[Text] The wheat rust disease has caused losses of 15 to 20 percent to 107,900 hectares [ha] of irrigated and dry farmed wheat in the province of Kohkiluyeh and Boyer Ahmad.

The chief of the promotional unit of the province of Kohkiluyeh and Boyer Ahmad Agricultural Organization confirmed this at an interview with IRNA's correspondent. He said: This disease caused pervasive losses to the wheat crops and caused a drop in the quality and quantity of this crop.

He added: The unsuitable rainfall during the rainy season and the excessive delay in timely planting in some parts of this province caused wheat rust to spread more among this year's crops than in previous years.

He discussed the fact that the province is a mountainous area and the fact that most of the wheat is harvested in the traditional way and with a scythe. He said: At harvest time the wheat rust settles on the bodies of the farmers and has bad consequences for their health.

The chief of the province promotional unit noted: The freezing and cold late last year in the Gagan and Dasht-e Rum areas of Boyer Ahmad caused 30 to 40 percent losses to 40 ha of farmer wheat lands.

Likewise, the hail from early last year in the municipality of Kohkiluyeh completely destroyed 500 ha of farmer wheat and barley in the vicinity of the village Suq Vil Landeh.

Among the methods of combatting wheat rust, he listed the use of resistant seeds, disinfectants, careful observation of planting times, organized irrigation, and timely and sufficient application of fertilizer.

In conclusion, he added: The unsuitable amount of rainfall throughout the wheat growing season in the municipality of Gachsaran caused the loss of wheat seeds in this municipality, and 5 to 10 percent of the farmers suffered losses.

#### **Free University's Graduates in Suspense**

93LA0108F Tehran SALAM in Persian 23 Jun 93 p 3

[Text] Tehran—IRNA. A large number of graduates from the Free Islamic University requesting admission to the final phases of study in the universities and institutions of higher learning have been removed from the first selection by the National Educational Evaluation Organization.

After the admissions tests were held for the final phases of study in the universities and institutions of higher learning for the year 1372 [21 Mar 93-20 Mar 94], in which a large number of graduates from the Free Islamic University participated for the first time, last week the National Educational Evaluation Organization sent them a letter stating that their field of study has not been approved or has been conditionally approved, and this group of applicants was deleted from the acceptance list.

In the same regard, the general manager of instruction for the Free Islamic University said: The National Educational Evaluation Organization, despite the validation and approval of many of the fields of study in the Free Islamic University by the three-person committee approved by the Majles, has rejected those applying for admission to the final phases of study in the universities and institutions of higher learning.

According to Engineer Zanubi, a number of graduates from the Free Islamic University whose fields of study have been approved and who participated in the admissions tests this year for the final phases of study in the universities and institutions of higher learning, were deleted from this test.

Dr. Hoseyn Tavakoli, executive deputy of the National Educational Evaluation Organization discussed the deletion of a number of applicants from the test for admission into the final phases of study in the universities and institutions of higher learning. He said: The only ones deleted from the test were those graduates from the Free Islamic University applying for admission to the final phases of study in the universities and institutions of higher learning whose graduate fields in the Free Islamic University differ from the fields they have chosen in the test for the final phase of study.

Yet the chief of the investigative and supervisory board of the Supreme Cultural Revolution Council gave an

interview in which he discussed Article 1 of Measure 29 and the third meeting of the Supreme Cultural Revolution Council. He said: The credentials of all students from the Free Islamic University who graduate by Mehr 1372 [23 Sep-22 Oct 1993], provided that their fields of study have been validated by the three-person committee approved by the Majles or will be approved by the month of Mehr 1372, do not need to be examined again by the Ministry of Culture and Higher Education and the Ministry of Health, Health Care and Medical Education.

Dr. Shoja'ifar emphasized: All graduates from the Free Islamic University applying for the final phases of study in the nation's universities and institutions of higher learning, except in cases where the review of their credentials has not been completed by the three-person committee composed of representatives of the Supreme Cultural Revolution Council, the Free Islamic University and the Ministry of Culture and Higher Education, have successfully participated in the test for the final phases of study in the universities and institutions of higher learning.

In answer to a question by IRNA's correspondent, the general manager of public relations of the National Educational Evaluation Organization said that for answers to any kind of question on this matter, the question must be submitted in writing to this organization.

#### Activities of Qazvin's Security Forces Detailed

93LA0108J Tehran SALAM in Persian 24 Jun 93 p 15

[Text] Qazvin—SALAM Correspondent. The commander of the Qazvin Police precinct gave a press conference in which he discussed the three-month activities of the police force in this municipality.

Speaking on behalf of the police force, Noruzi discussed the antitheft campaign in the Noruzi Project. He said: Through the alertness of striving police personnel, of the 20 thefts that took place during the New Year's holidays, 18 were solved and the stolen goods returned to their owners.

He discussed the identification and arrest of five gangs of thieves, communications lines in Takestan, Abgarm and Avej, and the arrest of 19 individuals in this regard. He said: With the planning and formation of intelligence teams and the operations during the past month of Ordibehesht [21 Apr-21 May], two gangs stealing communications lines were arrested at the scene of the crime during the theft, and in the interrogations that were conducted, three more gangs collaborating with those arrested were identified and arrested, and in this regard seven pickup trucks and more than two tons of severed telephone wire were confiscated, and the criminals were turned over to the judicial authorities. The damages have been estimated at about 75 million rials [RIs].

Elsewhere in this interview he discussed the Shafa maneuver, which was conducted secretly throughout the country from 26 to 31 Khordad [16-21 Jun]. He said: During this maneuver many of the gangs procuring and

distributing narcotics in the Qazvin area were identified and arrested, and in this regard more than 32 kg of opium were confiscated and more than 75 smugglers and addicts were also arrested. Ultimately, during the last three months 57.7 kg of narcotics was confiscated and more than 10 gangs were arrested, of which 99 were smugglers and 126 were addicts.

He discussed the implementation of the project. He also said that during the last three months three war weapons, RIs500 million in stolen assets, 17 automobiles, 13 motorcycles, 600 liters of alcoholic beverages, 36 video unauthorized video machines, and 421 vulgar video tapes were confiscated.

Concerning the arrest of various gangs, he said: During those days, 32 gangs of thieves were found and all their members were arrested. Likewise two major gangs of prostitutes were identified and 20 of their members were arrested, and the total number of those arrested was 602.

In conclusion, the commander of the Qazvin police precinct asked the people in the area to help the police to carry out their responsibilities to maintain peace and security, and to consider these forces their own people and to give the information they have about various things to the police forces.

#### Factors Aggravating Health Problems Cited

93LA0108L Tehran SALAM in Persian 24 Jun 93 p 15

[Text] Khorramabad—IRNA. The lack of a sewage network, the shortage of healthy drinking water and the population increase are considered to be among the nation's biggest health problems.

This statement was made yesterday during the Fourth National Regional Training Workshop on Monitoring Preventable Diseases, which is being held in Khorramabad.

At yesterday morning's meeting of this training workshop, the major diseases prevalent in the country were said to be tuberculosis, Malta fever, and malaria.

At this meeting the point was made that even the world's most advanced nations have been unable so far to uproot some diseases, such as tuberculosis, and it was said that the most important way to combat contagious diseases is vaccinations and mass immunization.

The National Regional Training Workshop on Monitoring Preventable Diseases began on 29 Khordad [19 Jun] in the municipality of Khorramabad, attended by Dr. Azmudeh, general manager of the Ministry of Health, Health Care and Medical Education's campaign against contagious diseases, and a large number of physicians and specialists, and it will continue until 4 Tir [25 Jun].

At this workshop the major health care problems, as well as the diseases prevalent in the country, were studied and practical ways to fight various kinds of diseases were considered.



**Speaker Inaugurates Clinic in Rudbar***93LA0108P Tehran SALAM in Persian 22 Jun 93 p 15*

[Text] Rudbar—IRNA. Yesterday afternoon Treatment Clinic Number 1 for the municipality of Rudbar was opened in the presence of Mr. Nateq-Nuri, speaker of the Majles.

Also attending the opening ceremonies for this treatment center were Hojjat ol-Eslam Ghoyuri, the religious ruler's representative with the Red Crescent; Dr. 'Adeli, chief of the Central Bank; a number of Majles deputies from the province; and the governor-general of Gilan.

This clinic has a foundation of 1,000 meters and cost about 300 million rials [Rls] to build. It has wards for general practice, dentistry, eye care, family planning, and a laboratory and a pharmacy.

About Rls300 million has been provided to equip this clinic.

Likewise, yesterday (Monday) Hojjat ol-Eslam val-Moslemin Nateq-Nuri, speaker of the Majles, visited the earthquake-stricken districts of Rostamabad and Jumin in the province of Gilan.

He said that the volume of work done for reconstruction is praiseworthy and said: If the people had not cooperated with the government organizations, it certainly would not have been possible to do the great tasks that have been accomplished to repair the damage.

The Majles speaker said the extensive participation by the people in the earthquake-stricken areas in the elections for president of the republic were sweet and heartening.

**Hospitals Refusing Aid Risk Revoked Licenses***93LA0108O Tehran SALAM in Persian 24 Jun 93 p 1*

[Text] If those who have the legal responsibility to help those who have been injured or whose lives are endangered do not take the necessary steps to help them, they will be sentenced to terms in misdemeanor prison for three months to three years.

IRNA reports that Karimi Rad, revolutionary prosecutor of Zanjan, announced the above. He said: Police agents also cannot complain about those who are themselves not accused and who take injured people to police authorities or treatment centers.

The revolutionary prosecutor of Zanjan discussed the guidelines of the Law Providing Penalties for Refusing To Help the Injured and Alleviate Risks. He said: If Hospitals refuse to accept and provide the necessary first aid to the sick and injured in emergency rooms, they will be required to pay cash fines, will have their licenses revoked and the physicians will be reprimanded.

He emphasized the necessity and importance of helping the injured and for fellow citizens to take these individuals to treatment centers. He added: According to law, individuals who can prevent a danger facing another person without danger to themselves but do not do this are subject to prosecution and punishment.

He emphasized: The law prohibits police agents from interfering with those who are helping the injured and treatment centers and clinics also cannot oppose such individuals.

He noted: For the purpose of identifying the main defendant, the full particulars, the number of the automobile and a careful description of the one carrying the injured person should be written down by the police agents or treatment centers so the matter can be carefully studied.

**Ardestan Faced With Lack of Drinking Water***93LA0108I Tehran SALAM in Persian 24 Jun 93 p 15*

[Text] In the hot season of the year the shortage of drinking water is one of the problems besetting the people of the city of Ardestan.

A resident of the city of Ardestan discussed the shortage of drinking water in Ardestan with IRNA's correspondent. He said: Whenever drinking water consumption increases in some parts of the city, the residents of the other parts do not receive water.

Another resident of this city said: In the long run, drinking water is to be sent from the Zayandehrud of Esfahan to the city of Ardestan, but until this project is implemented, will the people from rural areas such as Kachumesqal and Hoseynabad have to get their water in buckets and other implements?

In this regard Davud Makarom, an official in the Ardestan Regional Water and Sewage Office, while confirming the above, said: In current conditions drinking water for the city of Ardestan is procured through two deep wells with a yield of about 30 liters per second. In view of this city's population of 15,000 and in view of the electrical fluctuations and blackouts and the breakdown of the pipe in the main network, the real need for drinking water is not being met.

He added: Under current conditions, about 80 percent of the existing water network in Ardestan is made of cast iron pipes, and they are about 32 years old. Excessive blockage and rotting have created repair and maintenance costs, and water is also lost.

Concerning the loss of water, he said: The lands of Ardestan have a great capacity to absorb water and because of the lack of a sump mechanism, the identification of broken pipes takes too long.

He emphasized: After the project, the city plan and the water network are prepared, the water delivery network must be repaired and replaced, and this task needs a budget of almost 800 million rials.

He said: The Water and Sewage Office does not have a device to put chlorine into the water and currently the city's drinking water is sanitized using the most elementary method possible, meaning injecting chlorine into the deep wells.

He added: Currently, in view of the excessive shortage of drinking water, the loss of water through rotten pipes and the hot summer weather, we must produce drinking water continuously and without stopping.



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